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POLICY NUMBER: 5.018

Title: Travel and CBA Account

Effective Date: 02/10/2008

Last Review/Revision Date: 04/04/2023

Travel and CBA Account

Policy Statement:

Central Louisiana Technical Community College Finance Department to ensure internal controls exist.

SCOPE AND APPLICABILITY

The CLTCC travel policy applies to all employees and officials of the Central Louisiana Technical Community College regardless of the source of funds used to reimburse the employee for his/her travel. The Chancellor, Vice Chancellors, and Campus Deans have authority to authorize travel for CLTCC employees under their jurisdiction. The State of Louisiana State Liability Travel Card and CBA Program policy covers and establishes minimum standards for possession and use. The State Liability Travel Card/CBA is a tool used to assist employees in paying for specific, higher cost travel expenses incurred during travel for official state business. The Travel Card/CBA is a Visa account issued by Bank of America for the State of Louisiana.

Scope:

This policy and procedures along with the use of the Travel Card and CBA does not negate any current requirement and/or allowances in PPM49, including the travel authorization/expense forms which must be completed for all non-routine travel, conferences and out of state travel, as well as Purchasing Policies, Rules

and Regulations, Louisiana Statutes, or Executive Orders.

CONDITIONS OF PARTICIPATION

CLTCC, as a condition of participation in the State Liability Travel Card/CBA Program, shall abide by the terms of this policy unless a “Request for Exception” form is submitted and approved by the Office of State Purchasing and Travel.

DEFINITIONS

- a) **Airfares, State Contracted** –airfares, bid by the Office of State Procurement-Travel Division, which are totally refundable but higher in cost due to the last seat availability requirement of the airline. These fares are usually only used for last-minute notice of travel. State contracted airfares must be purchased with the State Liability Travel Card or an agency’s CBA account.
- b) **Blanket Authorizations** - as used in this memorandum, are travel authorizations that are used for routine in-state travel. This authorization covers travel to meetings and functions that are part of the regular duties of the employee. These authorizations are valid for one year but in no case do they extend past June 30th of the fiscal year.
- c) **CBA (Controlled Billed Account)** –a credit account issued in an agency’s name (no plastic cards issued). These accounts are direct liabilities of the State and are paid for by each agency. CBA Accounts are controlled through an authorized approver(s) to provide means to purchase any allowed transactions/services allowed in this policy. See Section 4.C. Please realize that although other travel related charges are now allowed on the CBA account, the traveler needs to ensure that the actual “plastic” is not necessary, as there is no plastic issued for a CBA account.
- d) **Cycle - the period between billings.** For example, the State of Louisiana Travel Card closing period ends at midnight on the 8th of each month. Synonymous with “billing cycle”
- e) **Cycle Limit** –maximum spending (dollar) limit a Travel Card/CBA is authorized to charge in a cycle. These limits should reflect the individual’s travel patterns. They are preventative controls and, as such, should be used judiciously.
- f) **Incidental Expense** – expenses incurred while traveling on official state business which are not allowed on the state liability travel card. Incidentals include but are not limited to; fees and tips to porters, baggage carriers, bellhops, hotel house cleaners; transportation between places of lodging/airport such as taxi; phone calls and any other expense not allowed in Section 4C.

- g) **In-State Travel** includes all travel within the borders of Louisiana or travel through adjacent states between points within Louisiana when such is the most efficient route. includes all travel within the borders of the State of Louisiana.
- h) **International Travel** includes all travel to destinations outside the 50 United States, District of Columbia, Puerto Rico, the US Virgin Islands, American Samoa, Guam and Saipan
- i) **MCC Code (Merchant Category Code)** –a 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 an MCC by the acquiring bank.
- j) **Merchant** –a business or other organization that may provide goods or services to a customer. Synonymous with “supplier” or “vendor”.
- k) **Out-of-State Travel** includes travel to any of the other 49 states plus District of Columbia, Puerto Rico, the US Virgin Islands, American Samoa, Guam and Saipan.
- l) **PPM49 (Policy and Procedure Memorandum 49)** –the state’s general travel 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 any other source.
- m) **SPL (Single Purchase Limit)** - the maximum spending (dollar) limit a Travel Card is authorized to charge in a single transaction. The SPL limit may be up to \$5,000; however, this limit should reflect the individual’s travel patterns. There are preventative controls and, as such, should be used judiciously. Purchases shall not be split with the intent of and for the purpose of evading the Travel Card single purchase limit set for cardholder.
- n) **Travel Card** - a credit account issued in an employee’s name. This account is direct liability of the State and is paid by each agency. Travel Card accounts are a tool used to assist the employee in paying for specific, higher cost travel expenses incurred during travel for official state business only. *CLTCC does NOT participate in the Louisiana State Liability Travel Card Program.
- o) **Travel Card Log** – used in reconciliation process for purchases/services charged during the billing cycle. Log is used by matching the paper memo statement received from the bank to the log and the documentation obtained from the vendor(s).
- p) **Transaction** - a single purchase. A credit also constitutes a transaction.

- q) **Transaction Documentation** –all documents pertaining to a transaction. The documentation is also used for reconciliation at the end of the billing cycle and is to be retained with the monthly reconciliation documentation for review and audit purposes. Examples of transaction documentation include, but are not limited to: itemized purchase receipts/invoices, receiving documents, credits, disputes, written approvals, airline exception justifications/approvals, travel authorizations/expense forms, etc.

GENERAL TRAVEL PROVISIONS

- A. Employees traveling on official business are expected to exercise the same care in incurring expenses that a prudent person would exercise if traveling on personal business. Excess cost, unnecessary routes, delays, luxury accommodations and services unnecessary or unjustified in the performance of official business are not acceptable and should be avoided.
- B. It is the employee's responsibility to consult the Louisiana Travel Guide to familiarize themselves with the official state travel regulations and what items are reimbursable prior to the beginning of travel.
- C. Employees traveling on official business will provide themselves with sufficient funds to cover routine travel expenses. Travel advances will only be granted under extraordinary circumstances, according to PPM49.
- D. Travel must be for the proper execution of official CLTCC business or implementation of college objectives. Meetings and conferences attended must be of a professional nature that relates to the individual attending's current job duties.
- E. Conference travel must have a separate authorization to travel approved by the supervisor and department budget head. ***In-state conference travel and overnight-stay travel are not covered by a blanket travel authorization.***
- F. All air travel arrangements **MUST be made by the traveler** through a State-authorized travel agency. Employees will NOT be reimbursed for any air travel that is not made through a State-authorized travel agency. The approved state travel agencies are found in the Louisiana Travel Guide.
- G. Personally-owned vehicles may be used for official College business if prior approval has been granted and the employee has been authorized to drive on behalf of the College and has taken an approved Defensive Driving Class.
- H. Only air fare and registration/dues are pre-paid directly by the College if the traveler has an approved authorization to travel and the appropriate documentation. Exceptions to this policy require approval of the CLTCC VC of Finance or designee. Lodging will be paid on the College's CBA after the reservation has been made by the traveler and confirmation information has been forwarded to Procurement.
- I. Meals and other travel-related expenses are the initial responsibility of the traveler and are reimbursed after travel has been completed. Reimbursement for lodging and meals is handled in accordance with the

PROCEDURES

IN-STATE TRAVEL REIMBURSEMENT

1. Blanket Authorizations should be submitted on a Request for Travel Authorization (TA) Form at the beginning of each fiscal year or at the time of hire to the CLTCC Finance staff. A TA should be completed for each of the following travel types: 1) Travel which requires overnight stay, 2) Conferences/Conventions, and 3) Blanket Travel. The TA should be signed/approved by all required parties and forwarded to the CLTCC Finance staff. Approved TA forms should be attached to the Travel Expense Account Form after travel has occurred. Employees are expected to notify their supervisor prior to any travel. The VC of Finance and Administration will approve all requests for official travel forms and requests for reimbursement forms for the Chancellor.
2. Each Campus Administrator is expected to encourage the use of a state vehicle for any official state travel visit; however, it is not required to use a state vehicle when traveling on official state business.
3. After the employee has returned from traveling, the employee will complete the Travel Expense Account Form and obtain their supervisor's approval. They will clearly document the source of funding on the Travel Expense Account Form. If the source of funding is not documented on the form, it will not be processed until this information is received. Each campus will submit the signed/approved Reimbursement form and any other required documentation to the CLTCC Finance staff. The CLTCC Finance staff will process the travel reimbursement upon receipt of all required documentation. CLTCC follows the guidelines of the Office of State Procurement-Travel Division Guidelines. Each traveling employee should become familiar with these guidelines, as well as the State's lodging, meal, and travel expense reimbursement rates, which are available on the Office of State Procurement-Travel Division's website, before making travel arrangements.
4. The CLTCC Finance staff should make every effort to prioritize and process travel expense forms/travel reimbursements within 14 days of receipt. If there is information missing from the submitted travel reimbursement, the Finance Staff should notify the employee to explain what information is missing, in a timely manner (within 1-3 days).

STATE LIABILITY TRAVEL CARD

CLTCC does NOT participate in the Louisiana State Liability Travel Car Program.

VISA CORPORATE BUSINESS ACCOUNT (CBA) – Out-of-State Travel

1. All CBA transactions must be in accordance with PPM49 guidelines, Purchasing Policies, Rules and Regulations, Louisiana Statutes, and/or Executive Orders.
2. The purpose of a CBA is to provide a tool for agencies to purchase contract and non- contract airfare and assist with payment of qualified travel expenses only. Please realize that although other travel related charges are now allowed on the CBA account, the traveler needs to ensure the actual “plastic” is not necessary, as there is no plastic issued for a CBA account.
3. In accordance with airline contracts and PPM49, it is mandatory that all state contracted airfare be purchased with a State Liability Travel Card or an agency’s CBA account. Note: While not mandatory, the Travel Card and Agency CBA account may be used for all other non-contracted airfares.
4. The State promotes the use of the CBA account for airfares and registration; however each department head will determine who is eligible to use the CBA within their agency.
5. The account(s) are issued in the name of the agency and the program administrator is the primary point of contact for those accounts. The contract travel agency and Bank of America must be notified of authorizers for each CBA account.
6. CBA account(s) shall have an overall card cycle limit determined by the agency. These limits should reflect the agency’s travel patterns. They are preventative controls and, as such, should be used judiciously.
7. If the agency is currently set as a company with Bank of America, the Program Administrator may establish a new or additional CBA account through the Bank of America on-line system, WORKS. If an agency is not established as a company then you must contact the Office of State Procurement-Travel Division to complete all necessary documentation.
8. The CBA accounts are also the direct liability of the state. Each agency will be responsible for ensuring all payments are made timely to the bank.
9. No plastic card is issued. These are referred to as ghost accounts. If it is determined that personal or other unauthorized charges are occurring on the CBA account, appropriate steps, up to and including dismissal, shall be taken to resolve the misuse/abuse of the account.
10. All CBA accounts must be paid in full monthly and must be made by electronic payment.

CARD MISUSE

- A. **FRAUD PURCHASES** - any use of the CBA 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 CBA 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 Procurement.

- B. 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 CBA with no intent to deceive that College for personal gain or for the personal gain of others.

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

In the event an employee misuses the CBA account and funds are owed to the college, the employee must repay the college immediately. If the employee does not repay the college, disciplinary actions will be taken up to and including termination.

C. 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.

Processing transactions are administered as follows:

Merchants processing transactions is typically a two-step process:

1. Merchant authorizes transactions against card controls (MCC, limits, exp date, etc.) and if approved receives an authorization number.
2. Merchant submits the transactions for payment from the bank.
 - a. In rare instances, merchants will circumvent the authorization process and only perform step 2. This means that the merchant didn't authorize the transaction against

the card controls and therefore did not receive an authorization number.

- b. If this does happen, the merchant has forfeited all dispute rights and the transaction can be disputed and unless the merchant can provide a valid authorization number, the dispute will be resolved in the cardholder's favor.

D. CARD SECURITY

Each cardholder is responsible for the security of their card, and therefore should:

- a. Never display their Card Account Number around their work area
- b. Never give his or her Card Account Number to someone

E. SALES TAX

- A. Charges are a direct liability of the State; therefore, Louisiana sales tax should not be charged on hotel, Enterprise in-state vehicle rentals and Park-N-Fly parking charges.
- B. Travelers should make every effort at the time of hotel, Enterprise in-state vehicle rental and Park-N-Fly parking charges to avoid being charged Louisiana State sales tax.

Air travel will be processed as follows:

1. The Employee must create a profile through Christopherson Business Travel at <https://legacy.cbtravel.com/business/profile/stateofla/>
2. The employee will complete a Request for Travel Authorization and obtain the VC of Finance signature prior to travel. The VC of Finance will submit the signed/approved Request form to the CLTCC Finance staff. The CLTCC Finance staff will notify the employee and keep the original on file.
3. Once the form is signed/approved, the employee will arrange airfare through Christopherson.
4. An email copy of the itinerary is sent to the CLTCC Finance staff and employees through Christopherson.
5. The CLTCC Finance staff will authorize the billing of the employee's air fare to the CLTCC CBA account, and an email will be generated notifying the CLTCC Finance staff and employee when air travel is approved.
6. CLTCC will charge the appropriate coding for the airfare expenditures; any fees that are incurred due to changes or cancellations will also be charged to the same. Payment should be made to Bank of America within 25 days of the statement billing date.

Review Process:

<i>Name</i>	<i>Title</i>	<i>Approval Date</i>
<i>James R. Sawtelle, III, Ed.D.</i>	<i>Chancellor</i>	

Distribution:

Electronic: posted to College's website and sent via email to College personnel