

BOBBY JINDAL
GOVERNOR



KRISTY H. NICHOLS
COMMISSIONER OF ADMINISTRATION

State of Louisiana
Division of Administration
Office of State Purchasing

MEMORANDUM OSP 14-05

DATE: January 8, 2014
TO: All Secretaries, Undersecretaries, and Elected Officials
FROM: Sandra G. Gillen, CPPB *Sandra G. Gillen*
Director
RE: Electronic Vendor Payment Solutions

In an effort to increase efficiencies and effectiveness, as well as be strategic in utilizing technology and resources for the State and vendors, the State intends to make all payments to vendors electronically. The attached memorandum dated January 6, 2014, from Jan Cassidy, Assistant Commissioner, explains the electronic vendor payment (EVP) solution.

Effective immediately, agencies are to add the attached language concerning electronic payments to all solicitations. This language will be added to the AGPS and LaGOV data bases in the near future.

Please distribute this memorandum to the appropriate staff within your agency. For your convenience, this OSP memorandum may be accessed on our website at www.doa.louisiana.gov/osp under the Agency Center.

Thank you for your cooperation. If you have any questions, please contact my office.



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TO: All Secretaries, Undersecretaries, and Elected Officials

FROM: Jan B. Cassidy
Assistant Commissioner

A handwritten signature in black ink that reads "Jan B. Cassidy".

DATE: January 6, 2014

RE: Electronic Vendor Payment Solution

In an effort to increase efficiencies and effectiveness, as well as be strategic in utilizing technology and resources, the State of Louisiana is pleased to announce the implementation of a convenient new Electronic Vendor Payment (EVP) solution for our vendors. This payment option is available to vendors who have the ability to accept VISA as a form of payment for invoices.

EVP provides our vendors with faster access to their funds, eliminates paper check receipt processing, and reduces collection cost, cash delays and fraud. This payment option does not require any change in current invoicing procedures. It allows vendors to recognize the benefits of receiving electronic payments without having to provide their banking information to the state. Going green or paperless reduces cost and helps conserve the environment by the elimination of check printing and mailing.

Under this new option, vendors will keep a virtual VISA card number on file. No changes are required to our current invoicing approval procedures. Once an invoice is approved for payment, an "electronic remittance advice" will be sent to the vendor via email, along with approval to charge the virtual card for the authorized net amount. The remittance advice includes statement-type information such as invoice numbers, date and amount for invoices.

The State of Louisiana's facilitator for this new payment option is Bank of America. Bank of America's Vendor Enrollment Team has been contacting vendors to enroll in this new payment option. Vendors will be asked to provide a point of contact within the organization assigned to handle the new payment option, Electronic Vendor Payment. This contact will also be responsible for maintaining the virtual credit card account number and handling the funds as listed on the electronic remittance advice.

If anyone in your in your agency receives calls regarding this program or needs assistance with retrieving payments through this program, they should be directed to the Office of Statewide Reporting and Accounting Policy (OSRAP) within the Division of Administration for assistance. The telephone number for OSRAP's help desk is 225-342-1097. However, if a vendor is questioning an invoice amount, shortage of payment, etc, this should continue to be handled by your agency, as OSRAP would not be able to answer on your agency's behalf.

Attached you will also find the language to be included in all solicitations regarding electronic vendor payment options.

Department and agency heads should disseminate this to all business and administrative functional units, which would be applicable, within their agencies.

Thank you in advance for your cooperation.

In an effort to increase efficiencies and effectiveness as well as be strategic in utilizing technology and resources for the State and vendors, the State intends to make all payments to vendors electronically. The LaCarte procurement card will be used for purchases of \$5,000 and under, and where feasible, over \$5,000. Vendors will have a choice of receiving electronic payment for all other payments by selecting the Electronic Vendor Payment solution (EVP) or Electronic Funds Transfer (EFT). If you receive an award and do not currently accept the LaCarte card or EVP or have not already enrolled in EFT, you will be asked to comply with this request by choosing one the following three options. You may indicate your acceptance below.

The **LaCarte** Procurement Card uses a Visa card platform. Vendors receive payment from state agencies using the card in the same manner as other Visa card purchases. Vendors cannot process payment transactions through the credit card clearinghouse until the purchased products have been shipped or received or the services performed.

For all statewide and agency term contracts:

- Under the LaCarte program, purchase orders are not necessary. Orders must be placed against the net discounted products of the contract. All contract terms and conditions apply to purchases made with LaCarte.
- If a purchase order is not used, the vendor must keep on file a record of all LaCarte purchases issued against this contract during the contract period. The file must contain the particular item number, quantity, line total and order total. Records of these purchases must be provided to the Office of State Purchasing on request.

EVP method converts check payments to a Visa credit card thereby streamlining payments to your organization. Participants receive a credit card account number with unique security features. This card will have \$0 available funds until an invoice is approved for payment. As payments are approved, electronic remittance notifications are sent via email along with approval to charge the card for that amount. EVP requires no change to current invoice procedures; it is secure, and does not require your bank information.

EFT payments are sent from the State's bank directly to the payee's bank each weekday. The only requirement is that you have an active checking or savings account at a financial institution that can accept Automated Clearing House (ACH) credit files and remittance information electronically. Additional information is available at <http://www.doa.louisiana.gov/OSRAP/EFTforWebsite.pdf> . To facilitate this payment process, you will need to complete and return both EFT enrollment forms found at <http://www.doa.louisiana.gov/ERP/pdfs/LaGov%20AP-03%20-%20EFT%20Vendor%20Enrollment%20Form.pdf> and <http://www.doa.louisiana.gov/OSRAP/EFTforWebsite.pdf>

If an award is made to your company, please check which option you will accept or indicate if you are already enrolled.

<u>Payment Type</u>	<u>Will Accept</u>	<u>Already enrolled</u>
LaCarte	_____	
EVP	_____	_____
EFT	_____	_____

Printed Name of Individual Authorized

Authorized Signature for payment type chosen

Date

Email address and phone number of authorized individual