

ST. JEROME'S UNIVERSITY



Corporate Credit Cards

Operations Manual

Approving Authority: President (Vice Chancellor)

Established: September 14, 2021

Date of Last Review/Revision: N/A

Office of Accountability: Executive Director, Finance and Administration

Administrative Responsibility: Finance and Accounting

Policy Statement

This policy defines the parameters and criteria for the use of St. Jerome's University (hereby known as "the University") corporate credit cards to ensure appropriate control procedures are in place.

Scope

This policy applies to all University employees holding a corporate credit card.

"Cardholder" refers to any University employee who has been issued a corporate credit card.

"Card" refers to a University issued corporate credit card.

Principles

Credit Card Usage

The University corporate credit cards (hereby known as "Cards") can be used to make purchases in the course of regular duties in connection with the University. Purchases made using Cards are to be authorized by the appropriate authorizing Supervisor, in accordance with the usual University approval procedures.

Cardholders will obtain and keep original receipts and invoices for reconciliation purposes. Under no circumstances will the Card be used to circumvent University procurement policies and restrictions. The use of Cards for cash allowances or the procurement of goods and services for personal use are strictly forbidden.

Cardholders must ensure transactions adhere to the following;

- I. Cards can only be used for purchases made against operating funds;
- II. Cards can only be used for transactions classified as minor spending, (i.e. <\$5,000)¹; and
- III. Purchases made with Cards must align with the University's Procurement and Expenses Policies.

¹ Refer to the Procurement Policy and Procedure for details on minor spending.

Cards are the property of the University. **They may not be transferred to, assigned to, or used by anyone other than the designated Cardholder.** Cardholders should protect their Card and not divulge the Card account number to any other person except merchants for the purposes of processing a transaction on behalf of the University. Cards that are lost, stolen, suspended, or compromised in any manner must be reported to the University's Director, Finance and Accounting immediately.

The University expects Cardholders to act with strict prudence and professionalism. It is the responsibility of the Cardholder and the Department Supervisor to ensure all purchases are eligible and in alignment with the University's Procurement and Expenses Policies. Unauthorized use of Cards or willful neglect can be considered misappropriation of funds, resulting in immediate, temporary, or permanent irrevocable forfeiture of the Card and/or other disciplinary action.

The University reserves the right to:

- I. Audit all Card expenditures at any time to ensure that all Cardholders have complied with both the Card Policy and all other applicable University policies and procedures;
- II. Require the Cardholder to reimburse the University personally for any ineligible purchases, regardless of whether the Department previously approved the transaction as an eligible purchase. The Department Supervisor does not have the authority to circumvent the Procurement Policy;
- III. Assign reimbursement for ineligible purchases made by the Cardholder against payments otherwise due and owing to the Cardholder by the University; and/or
- IV. Revoke the Cardholder's Card and privileges at any time.

Card Eligibility

Cards are distributed to Operating and Administrative Staff as deemed necessary. Employees wishing to obtain a Card must first contact their Supervisor. An application can be requested and submitted to the Director, Finance and Accounting.

Only those positions deemed to require a Card in the course of their regular duties are entitled to apply for a Card. Prior to use, Cardholders will need to sign the "Employee Acknowledgement of Responsibilities and Obligations for the Use of Corporate Credit Card," which will be provided by Finance and Accounting.

Cards can only be used to make eligible purchases against the operating budget.

Card Thresholds

Cards may only be used for the authorized purchase of goods or services meeting the University's minor spending thresholds (i.e. <\$5,000 CAD total value). This includes applicable tax.

Purchases cannot be split to circumvent the Procurement Policy thresholds. For example, the purchase of three similar items for \$2,000 each would be deemed non-compliant, as the total value of the good is \$6,000 and, therefore, greater than the allowable minor spending threshold.

The standard Card limit is \$5,000 per month. Card limit increases will only be granted in exceptional circumstances. If an employee requires an increase to their monthly limit, they will need to discuss their requirements with the Director, Finance and Accounting.

Additional Card Requirements

Cardholders are responsible for reviewing their monthly Cardholder statement within 10 days of receipt. The Cardholder is responsible for obtaining original documentation (e.g. cash register receipts, invoices) and reconciling them with the monthly statement. Any exceptions to this rule will be determined at the discretion of the Director, Finance and Accounting.

Cardholders must submit their coded and approved Card statements with supporting documentation to Finance within the stated timeline. Any discrepancies should be resolved by the Cardholder by contacting the supplier.

Summary of Responsibilities

The responsibilities of the Cardholder, the Department Supervisor, and Finance are as follows:

Cardholder

- Ensure all uses of their Card are valid;
- Ensure their Card is not used by anyone other than the Cardholder;
- Purchase goods according to the appropriate procurement guidelines;
- Contact and resolve any disputes with suppliers;
- Retain original invoices, receipts, Visa slips, etc. for all Card transactions and provide to Finance with monthly statement;
- Verify monthly expenditures against the Card statement, provide coding and sign the statement to signify reconciliation and review;
- Forward the statement with the supporting documentation to the Supervisor for approval;
- Ensure each bundle is kept chronologically and is available for audit, on request; and Notify the Director, Finance and Accounting immediately if the Card is lost or stolen.

Department Supervisor

- Ensure the Cardholder's purchases are eligible purchases and are coded to the correct expense account, department, and project code (as required);
- Verify monthly expenditures against the Card statement and sign the statement for authorization;
- Inform the Director, Finance and Accounting of a change in a Cardholder's department or position, which may include but is not limited to a transfer, promotion, leave of absence, or long-term disability;
- Request the cancellation of Cards for Cardholders who cease to be employed by the University or who otherwise become ineligible for a Card; and Cooperate with all Card-related inquiries and compliance reviews.

Finance

- Approve issuances of Cards to Cardholders;
- Monitor transactions periodically to ensure the Card is used properly and in accordance with the University's established policies and procedures;
- Ensure the paper statement/receipt bundles are retained in an organized manner for a period of seven (7) years (centrally, if possible);
- Ensure payment of Card is issued to bank within stated deadlines; and perform periodic audits to ensure Cards are used in accordance with the University's established policies and procedures, and that proper records are maintained for seven (7) years as required by government regulations.

Related Policies

- **Procurement Policy** – outlines expectations for procurement of goods and/or services on behalf of the University; includes list of ineligible purchases by Cards, and indicates the expected behaviour of all Cardholders on how to respectfully conduct business on behalf of the University.
- **Expenses (Travel, Meals and Hospitality) Policy** – indicates the appropriate type of activities and administrative oversight to claim expenses related to University business.
- **Policy Respecting Business of the University, including Banking and Financial Transactions** – indicates the people in the University with signing authority.