

## **Corporate Credit Card Procedures**

### **October, 2015**

#### **SECTION 1: APPLICATION FOR A CORPORATE CREDIT CARD**

- 1.1 University administrators and academic departments may apply for a Corporate Credit Card by Completing and signing an Application for Corporate Credit Card, attached as Appendix “A” to these Procedures.
  - 1.1.1 In the case of an application on behalf of an academic department, the application must also be recommended by the appropriate Dean.
  - 1.1.2 In the case of an application on behalf of an administrative support department, the application must also be signed by the Director or applicable Vice-President.
- 1.2 Positions normally assigned credit cards include the President, Vice-Presidents, Deans, Directors, and other administrative positions as approved by the Vice-President, Administration & Finance.

#### **SECTION 2: PROCEDURES GOVERNING USE OF A CORPORATE CREDIT CARD**

- 2.1 A Corporate Credit Card shall only be used for University business and shall not be used for personal expenditures.
- 2.2 A Corporate Credit Card shall normally be used for payment of travel expenditures and to purchase goods and services with a maximum value of \$1,500. All purchases on a Corporate Credit Card must also comply with any other relevant policies, including the Travel Expenses Policy in the case of travel expenditures.
- 2.3 The Cardholder shall ensure suppliers have accurate contact and shipping information for goods purchased.
- 2.4 The Cardholder shall provide detailed documentation to University’s Procurement Services for any purchases of goods being shipped from outside of Canada. This includes:
  - 2.4.1 identification of shipper and vendor;
  - 2.4.2 description and accurate cost of goods;
  - 2.4.3 department name and account code; and
  - 2.4.4 Cardholder name.
- 2.5 The Cardholder shall ensure that returned merchandise is appropriately credited to the Cardholder’s Corporate Credit Card account.

- 2.6 Corporate Credit Cards shall not be used to by-pass University procurement policy or to replace University purchase orders, except:
- 2.6.1 in purchasing small, incidental, convenience or petty cash type items to a maximum value of \$100;
  - 2.6.2 for travel and other reimbursable expenses; or
  - 2.6.3 for other purposes specifically stated in the application for a University Corporate Credit Card.
- 2.7 Use of a Corporate Credit Card does not replace the requirement to file a *Travel Claim Form* or a *Hospitality, Entertainment and Other Expense Claim Form*, which must be completed and authorized as indicated in the applicable policy and recorded as follows:
- 2.7.1 Expenses pursuant to the Travel Expenses Policy or the Hospitality, Entertainment and Other Expenses Policy charged on a Corporate Credit Card shall be listed under the “Charged to University Credit Card” column on the respective form;
  - 2.7.2 If there is no reimbursement to the Cardholder (for example, all expenses related to the travel or hospitality/entertainment were paid for on the Corporate Credit Card), the applicable completed expense form shall be attached to the Corporate Credit Card reconciliation statement. Otherwise, the applicable completed expense form shall be submitted for approval in accordance with the terms of the applicable policy;
  - 2.7.3 For greater clarity, the reconciliation and processing of monthly Corporate Credit Cards as set out in section 3 are payment processes. The completion and approval of the respective expense form is the expense approval process and is governed according to the policy and procedures relating to the expense.
  - 2.7.4 In the case of hospitality, entertainment and other Expenses, the option does exist for a credit cardholder to provide all of the same required information from the *Hospitality, Entertainment and Other Expenses Authorization and Claim Form* on a the credit card reconciliation form, but in that case the credit card statement **MUST** have a One-over-One Authorization signature.
- 2.8 Corporate Credit Cards shall not be used to purchase equipment including computers, printers, scanners or fax machine.

### **SECTION 3: RECONCILIATION OF CORPORATE CREDIT CARD STATEMENTS**

- 3.1 The Cardholder shall ensure that he or she or another individual within the department, complies with the administration of transactions using the Corporate Credit Card as set out in these Procedures on a monthly basis.
- 3.2 An academic or administrative support department that is issued a Corporate Credit Card shall designate a person within the department who shall be responsible for the administration of transactions using the Corporate Credit Card as set out in these Procedures on a monthly basis.

- 3.3 The individual responsible for the administration of transactions using the Corporate Credit Card as set out in either Section 3.1 or Section 3.2, shall on a monthly basis:
- 3.3.1 review all monthly credit card statements for the Corporate Credit Card;
  - 3.3.2 reconcile and match original invoices to statement items;
  - 3.3.3 accurately code all expenditures on the statement(s) according to departmental approved accounts and classes; and
  - 3.3.4 forward the reconciled statement with original invoices to University's Accounting Office (Accounts Payable) within 2 weeks of statement end date.
- 3.4 Where the Cardholder is not the person within the department responsible for the administration of transactions using the Corporate Credit Card, he or she shall provide all original itemized invoices to the individual so designated.
- 3.5 Corporate Credit Card activity that is not reconciled and forwarded to the Accounting Office as required by Section 3.3 within 2 months of the statement end date shall result in the Corporate Credit Card being put on hold until the transactions are reconciled. Repeat offences may result in the cancellation of the Corporate Credit Card.
- 3.6 An academic or administrative support department that is issued a Corporate Credit Card shall be responsible for the recovery of cards held by departmental staff upon their separation, transfer or re-assignment. The department shall then return the Corporate Credit Card to the Comptroller's Office.



*Application for a Corporate Credit Card*

**Please Print Clearly**

Date \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_ Birth Date \_\_\_\_\_

Department \_\_\_\_\_ Telephone # \_\_\_\_\_

Reason for Card \_\_\_\_\_

UPEI Department Code(s) Required \_\_\_\_\_  
(Required for On-Line Administration)

Signature of Applicant \_\_\_\_\_

Signature of Director or Dean \_\_\_\_\_

Credit Limit (\$5,000 Recommended) \_\_\_\_\_

Comptroller:

☐ Credit Limit Approved

☐ Credit Limit Rejected

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

Vice-President, Administration & Finance:

☐ Application Approved

☐ Application Rejected

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

***Rules Governing Use of a Corporate Credit Card***  
***University of Prince Edward Island Cardholder Agreement***

**Cardholder:**

1. The cardholder shall be personally liable for unauthorized, unapproved, or inappropriate use of his/her University corporate credit card.
2. The cardholder shall retain all original invoices for the purposes of reconciling the monthly credit card statement, and ensure that credit card expenditure reports are filed with the Accounting Department on a timely basis.
3. Corporate credit cards shall not be used to purchase equipment including computers, printers, scanners or fax machines.
4. Corporate credit cards shall be used normally for travel expenditures, and shall also be used to purchase goods and services with a value of \$1500 or less.
5. Upon resignation, transfer or re-assignment, the cardholder shall return his/her corporate credit card to the Department Head.

**I hereby agree to the above terms and to all conditions contained in the University Corporate Credit Card Policy.**

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Date

**Department:**

1. The department shall designate a person within the department who shall be responsible for the monthly administration of the transactions including:
  - receive monthly credit card statement;
  - reconcile and match original invoices to statement items;
  - accurately code all expenditures on the statement; and
  - forward the reconciled statement with original invoices to the Accounting Office within **2 weeks** of statement end date.

Name of Designate \_\_\_\_\_

2. The department shall be responsible for all expenditures incurred, including all credit charges, transaction fees and interest.
3. The department shall be responsible for monitoring the ongoing use of University corporate credit card held within the department.
4. The department shall be responsible for the recovery of corporate credit cards held by departmental staff upon their separation, transfer, or re-assignment. The department shall then return the credit card to the Comptroller's Office.

**I hereby agree to the above terms and conditions for the University Corporate Credit.**

\_\_\_\_\_  
Signature of Department Head

\_\_\_\_\_  
Date