

USE OF CREDIT AND PROCUREMENT CARD POLICY			
Effective Date	June 15, 2017	Policy Type	Administrative
Responsibility	Director, Financial Services	Cross-Reference	1. Hospitality and Community Stewardship Expenditures Policy 2. Procurement Policy 3. Travel and Related Expenses Policy
Approver	Executive Council		
Review Schedule	Every 5 years		
Appendices			

1. Policy Statement

1.1 Staff members of Grande Prairie Regional College (“GPRC” or the “College”) may be required to purchase nominal supplies, travel, or host, on behalf of the College. Corporate credit and procurement cards can provide staff members who regularly engage in these activities with a convenient and efficient means of paying for eligible expenses.

2. Background

- 2.1 The use of corporate credit and procurement cards can alleviate the burden of carrying these costs personally for staff members who regularly make small purchases, travel or host on behalf of the College.
- 2.2 A well-defined policy can reduce the risk of inappropriate use and ineligible spending on corporate credit and procurements cards. Ensuring appropriate standards are in place can reduce these risks.

3. Policy Objective

3.1 As a publicly funded institution, GPRC is accountable for prudent and effective stewardship of College funds. The objective of this policy is to provide a framework for responsible and accountable use of corporate credit and procurement cards.

4. Scope

4.1 This policy applies to all GPRC employees who are issued a GPRC corporate credit or procurement card.

5. Definitions

- 5.1. “Corporate Credit Card” is a College authorized credit card assigned to an employee for payment of nominal supplies, business-related travel, or hospitality. A corporate credit card has no issuer restrictions with the exception of a monthly credit limit.
- 5.2. “Cardholder” refers to the employee who has a GPRC corporate credit card or procurement card issued in their name and for which they are responsible.
- 5.3. “Cash Advance” refers to cash withdrawn on the corporate credit card or procurement card.

- 5.4. "Charge Card" refers to both corporate credit cards and procurements cards interchangeably.
- 5.5. "Credit Card Agreement" refers to the agreement issued by the credit supplier that outlines the terms, conditions and responsibilities of the cardholder and the account holder (GPRC).
- 5.6. "Department Head" refers to the Dean or Director.
- 5.7. "Detailed Receipt" a receipt provided by the vendor or supplier which itemizes the goods or services purchased, indicates the date, name of facility, amount of taxes charged, and a total.
- 5.8. "GPRC Corporate Charge Card Administrator" refers to the employee who issues and cancels corporate charge cards and has overall responsibility for the GPRC Corporate Credit and Procurement Card programs. Manager of Accounts Payable and Capital Assets is GPRC's Corporate Charge Card Administrator.
- 5.9. "Procurement Card" is a College authorized credit card assigned to an employee for payment of nominal supplies, business-related travel, and hospitality. A corporate procurement card can be restricted on vendors, transaction limits, and monthly credit limits.
- 5.10. "Transaction Splitting" refers to a work-around, where a cardholder intentionally separates a purchase over the single transaction limit into smaller transactions, to avoid the restrictions placed on a procurement card.

6. Guiding Principles

- 6.1. Permanent employees that routinely purchase nominal supplies, travel, or host on behalf of the College are eligible to apply for a charge card, with approval of the appropriate Department Head. Refer to GPRC Assistant for "Application for Corporate Charge Card".
- 6.2. Temporary employees will not be eligible for a corporate charge card, unless there is a well-documented need that requires the employee to have a charge card to fulfill their duties effectively. Approval from the Vice-President Administration is required.
- 6.3. The GPRC Corporate Charge Card Administrator will determine which type of charge card will be issued with regard for risk, efficiency, and requirements of the applicant.
- 6.4. If the cardholder changes positions within the College, their need to keep the charge card for the new job responsibilities will be assessed by the appropriate Department Head. Notification should be sent to the GPRC Corporate Charge Card Administrator.
- 6.5. In consultation with the supervisor, the Corporate Charge Card Administrator has the right to cancel the charge card without notice to the cardholder in case of termination, transaction splitting, failure to keep the charge card secure or gross failure to comply with this policy.

7. Corporate Credit Cards

- 7.1. Corporate credit cards will be issued sparingly and only with a well-documented need to have no cardholder restrictions.
- 7.2. Issuance of a corporate credit card requires written approval from the Vice-President Administration and the Director, Financial Services.

- 7.3. Rewards earned on corporate credit cards, such as Avion points will be pooled on a corporate level.
- 7.4. Request to use Avion points or other rewards for College related travel or business should be made to the Vice-President Administration.

8. Procurement Cards

- 8.1. Procurement cards will be issued with the following standard restrictions and credit limits:
 - 8.1.1. Single purchase limit of \$1,000
 - 8.1.2. Monthly limit of \$5,000
- 8.2. Procurement card limits may be revised with a documented need, and approval of the appropriate Dean or Director and the Director, Financial Services.
- 8.3. Procurement card usage is not intended to avoid/bypass appropriate procurement or payment procedures. Refer to Procurement Policy.

9. Cardholder Responsibility

- 9.1. Cardholders must sign the GPRC Acknowledgement of Responsibilities and Obligations of Charge Card Holders, prior to release of the charge card.
- 9.2. Cardholders are required to comply with the Cardholder Agreement, provided by the credit supplier.
- 9.3. Charge cards are to be used exclusively for College related business.
- 9.4. GPRC corporate charge cards can be used for:
 - 9.4.1. Nominal department or business unit supplies (Refer to Procurement Policy.
 - 9.4.2. Travel and related expenses (Refer to Travel and Related Expenses Policy)
 - 9.4.3. Hospitality and community stewardship expenses (Refer to Hospitality and Community Stewardship Policy)
- 9.5. GPRC corporate charge cards cannot be used for the following:
 - 9.5.1. Cash advances
 - 9.5.2. Capital equipment purchases
 - 9.5.3. On-site contractors including Chartwells (Catering only) or Follett Bookstore
 - 9.5.4. Personal or non-business related purchases
 - 9.5.5. Professional development, unless accompanied with prior written approval
 - 9.5.6. eBay purchases
- 9.6. Cardholders must protect the charge card from loss, theft, and unauthorized purchases by keeping the card and PIN secure.
- 9.7. Charge cards are prohibited from being transferred between employees.

- 9.8. Cardholders must immediately report any lost or stolen charge cards to the credit provider and the GPRC Corporate Card Administrator.
- 9.9. Cardholders must resolve disputed transactions by contacting the credit provider.
- 9.10. Card holders are responsible to track and monitor automatic renewals authorized on their cards.
- 9.11. Upon termination of employment with the College, the cardholder's supervisor must notify the GPRC Corporate Card Administrator, and ensure the return or cancellation of the charge card.

10. Monthly Reconciliation

- 10.1. On a monthly basis, cardholders must submit the account statement and reconciliation of expense form to Financial Services within five business days of the statement date.
- 10.2. Original detailed receipts, invoices, vouchers, and the customer copy of the credit card receipts must be attached to the reconciliation to support expenses charged to the account.
- 10.3. Failure to provide original receipts for expenses on the charge card may result in the cardholder being personally responsible for the charges.
- 10.4. The College may deduct ineligible charges made by the cardholder from future expense claims.

11. Failure to Comply with Procedures and Processes

- 11.1. The GPRC Corporate Charge Card Administrator is responsible for overseeing appropriate use of the charge cards.
- 11.2. Inappropriate use of the charge card or failure to reconcile monthly statements accurately and within stated timelines will be dealt with, in consultation with the supervisor, as follows:
 - 11.2.1. First Offence → 1st email warning
 - 11.2.2. Second Offence → 2nd email warning
 - 11.2.3. Third Offence → Card cancellation
- 11.3. Notification of offences, suspensions and cancellations will be sent to:
 - 11.3.1. Cardholder
 - 11.3.2. Supervisor
 - 11.3.3. Respective Dean/Director
- 11.4. Reinstatement of a cancelled card:
 - 11.4.1. Requires a written request supported by the Dean or Director.
 - 11.4.2. The Vice-President Administration has final approval of reinstatements
- 11.5. Inappropriate use of a reinstated card or failure to reconcile monthly statements accurately and within stated timelines will be dealt with as follows:
 - 11.5.1. First Offence → Card Cancellation

12. Roles and Responsibilities

STAKEHOLDER	RESPONSIBILITIES
Executive Council	<ul style="list-style-type: none"> • Approve and formally support this policy
Vice-President Administration	<ul style="list-style-type: none"> • Review for approval, applications for corporate charge cards for temporary employees • Review for approval, applications for corporate credit cards (unrestricted) • Review for approval, reinstatement of cardholder privileges after failure to comply with procedures • Review any exceptions to the requirements of this policy
Department Dean or Director	<ul style="list-style-type: none"> • Ensure staff follow the requirements of this policy • Review for approval, applications for corporate charge cards • Review for approval, requests to lift specific procurement card restrictions • Request reinstatement of corporate charge cards, after suspension
Director Financial Services	<ul style="list-style-type: none"> • Develop, maintain and oversee the implementation of this policy • Review for approval, applications for corporate charge cards • Review for approval, requests to lift specific procurement card restrictions
GPRC Corporate Charge Card Administrator	<ul style="list-style-type: none"> • Administer GPRC Corporate Credit and Procurement Card Programs • Perform monitoring and reviewing (e.g. auditing) charge card expenses • Implement warnings and suspensions if the cardholder has failed to comply with procedures and processes
Financial Services Staff	<ul style="list-style-type: none"> • Ensure that charge card expenses are reasonable and in compliance with this policy • Process payments to credit suppliers in a timely manner • Properly record expenses to the general ledger • Perform monitoring and reviewing (e.g. auditing) charge card expenses
Cardholder	<ul style="list-style-type: none"> • Follow the requirements of this policy

13. Exceptions to the Policy

13.1. Exceptions to the guiding principles in this policy must be documented and formally approved by the Vice-President Administration

13.2. Policy exceptions must describe:

13.2.1. The nature of the exception

13.2.2. A reasonable explanation for why the policy exception is required

13.2.3. Any risks created by the policy exception

13.2.4. Evidence of approval by the Vice-President Administration.

14. Inquiries

14.1. Inquiries regarding this policy can be directed to the Director, Financial Services.

15. Amendments (Revision History)

15.1 Amendments to this policy will be published from time to time and circulated to the College community.

15.2 Post-Implementation Approval: December 18, 2018