



**POLICY:** **CORPORATE CREDIT CARD POLICY**

**APPROVAL DATE:** **June 26, 2019**

## **PURPOSE**

The Associated Students Inc. (ASI) Corporate Credit Card Policy and Procedures provides guidance to ASI business purchasers, approvers, and payment processes for purchases conducted on behalf of Associated Students, Inc.

## **POLICY AND PROCEDURES**

### **1. Introduction**

- 1.1 The corporate credit card program has been implemented to provide an easy and expeditious method to conduct ASI business. To ensure proper fiscal accountability, the following policy has been established for employee use of corporate credit cards.
- 1.2 ASI corporate credit cards are to be utilized for purchases of goods, services, and travel.
- 1.3 Corporate credit card purchases shall be made in accordance with ASI Purchasing Policy.
- 1.4 Travel related purchases shall be made in accordance with the ASI Travel Policy.

### **2. Terms and Definitions**

- 2.1 *ProCards*, also known as Purchase Cards, Procurement Cards, and abbreviated as Pcard, is a corporate credit card provided as a matter of convenience to facilitate the payment of expenses incurred for ASI business purposes and business related travel purposes only.

### **3. Guidelines for Corporate Credit Cards**

- 3.1 Authorized Use and Restriction
  - 3.1.1 Purchases must be made in accordance with established ASI policies for expenses associated with official business that directly benefit ASI.
- 3.2 Card Issuance
  - 3.2.1 The corporate credit card is issued to ASI in an individual's name; ASI is responsible for all payments.
  - 3.2.2 There is no personal liability on the card unless the cardholder violates the terms by making a personal purchase or an unauthorized purchase.
  - 3.2.3 Prior to receiving an ASI Corporate Credit Card, each individual cardholder will be required to review the Corporate Credit Card Policy, ProCard Manual, and sign the ProCard Agreement Form.
  - 3.2.4 Once issued, the cardholder has sole responsibility for and is the sole authorized user of the ASI Corporate Credit Card.
- 3.3 Conflict of Interest
  - 3.3.1 Cardholders are delegated limited purchasing authority on behalf of ASI and, as such have the responsibility to ensure that purchases made on their corporate credit card do not fall within the definitions of a conflict of interest.

- 3.3.2 Gifts, gratuities, rebates, kickbacks, rewards points/credits, or other incentives provided to a cardholder, which influence or appear to influence the decision to make a purchase from a vendor is considered a conflict of interest purchase.
- 3.3.3 Transactions in which the cardholder has a financial interest also constitutes a conflict of interest that must be disclosed.
- 3.3.4 Conflict of interest purchases may subject the cardholder to suspension or revocation of the corporate credit card and will result in the reporting of the conflict of interest violation to management for review.
- 3.4 Maximum Individual Expenditure
  - 3.4.1 Corporate credit cards may be used for individual purchases up to \$4,500 maximum.
  - 3.4.2 For individual purchases exceeding this amount, temporary increases or permanent increases/decreases on an employee's account must have advance written approval of the Executive Director or ASI Professional Staff Designee.
  - 3.4.3 Splitting expenses to circumvent the individual purchase maximum may result in suspension or revocation of the corporate credit card.
- 3.5 Maximum Monthly Expenditures
  - 3.5.1 Corporate credit cards may be used for purchases totaling up to \$20,000 maximum in a one-month period.
  - 3.5.2 Monthly totals exceeding this amount or permanent increases/decreases on an employee's account must have advance approval of the Executive Director or ASI Professional Staff Designee.
- 3.6 Conditional Uses of Corporate Credit Cards
  - 3.6.1 Certain transactions are restricted due to ASI policy and must have advance written approval from the Executive Director or ASI Professional Staff Designee prior to incurring the expenditure. Examples include:
    - 3.6.1.1 Hospitality Expenditures: Hosting items may be purchased, but only within the guidelines of ASI Hospitality Policy.
    - 3.6.1.2 Computer Items (including hardware and software)
    - 3.6.1.3 Telephones, cell phones, and handheld devices
- 3.7 Prohibited Uses of ProCards
  - 3.7.1 The ASI ProCard may not be used to procure the following items:
    - 3.7.1.1 Alcohol (with the exception of prior approval and a signed alcohol approval form).
    - 3.7.1.2 Cash advances
    - 3.7.1.3 Capitalized furniture and equipment
    - 3.7.1.4 Firearms and ammunition
    - 3.7.1.5 Narcotics
    - 3.7.1.6 Animals
    - 3.7.1.7 Purchases which result in a conflict of interest, resulting in personal gain, or which violate ASI policies or procedures
    - 3.7.1.8 Personal purchases
- 3.8 Corporate Credit Cards Used for Travel
  - 3.8.1 Authorized Use and Restrictions
    - 3.8.1.1 The corporate credit card is for professional use and provides employees with a convenient and flexible method to incur approved business-related travel expenses.
    - 3.8.1.2 Authorization from the employees' supervisor and the Executive Director to travel is required prior to travel expenditures.
    - 3.8.1.3 The individual to whom the credit card is issued is responsible for the payment of any charges not approved prior to travel.

### 3.8.2 Appropriate Uses of ProCards Used for Travel

#### 3.8.2.1 Examples of appropriate travel expenses may include the following:

3.8.2.1.1 Airfare tickets

3.8.2.1.2 Rental Car expenses

3.8.2.1.3 Conference fees

3.8.2.1.4 Lodging

## 4. Procedures

### 4.1 Reporting Lost or Stolen Cards

4.1.1 The individual to whom a credit card is issued is responsible for its safekeeping. The loss of a credit card must be reported immediately to the employee's approving official and the ASI ProCard Administrator.

### 4.2 Cancellation of Cards

4.2.1 Upon employee separation or termination of employment, the employee will be required to surrender the credit card to the ASI ProCard Administrator.

4.2.2 All records of previous purchases must also be provided to the ASI ProCard Administrator.

### 4.3 Revocation or Suspension of Corporate Credit Card

4.3.1 Failure to comply with the ASI Corporate Credit Card Policy and the guidelines outlined in the ASI ProCard Manual may result in suspension or revocation of the employee's purchasing card. It may also result in discipline up to and including termination of employment.