



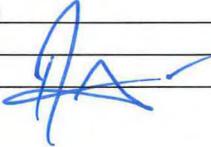
City of Leduc Policy

Policy Title: Corporate Credit Card

Policy No: 12.02:15

Revision No: NEW

Supersedes: N/A

Authority: (Council or City Manager) City Manager	Approval Date: October 28, 2020
Responsible Division: Finance (See list below)	Effective Date: October 28, 2020
Relevant Legislation: N/A	
Relevant Bylaw and Date(s): N/A	
Relevant Council Resolution:	
Authority's Signature: 	

Policy Objective:

The objective of the corporate credit card policy is to ensure that corporate credit cards are used for appropriate business expenditures and adequate controls are established for day-to-day use. This policy applies to all employees who are approved to use a corporate credit card including their authorizing card supervisor.

Definitions:

Authorizing supervisor refers to the cardholder's supervisor with budgetary control over the assigned corporate credit card.

Cardholder refers to the employee whose name appears on the corporate credit card.

Corporate credit card refers to a credit card, issued by a recognized financial institution, used for the payment of appropriate business expenditures.

Policy:

1. Corporate credit cards must only be used for appropriate business expenditures as defined in *Appendix 1 - Corporate Credit Card Procedures and Responsibilities*.
2. The charging of personal expenses to the corporate credit card is expressly prohibited, as set out in the attached *Appendix 2 - Employee Acknowledgement of Procedures and Responsibilities for the Use of a Corporate Credit Card*.
3. The use of a Corporate Credit Card is subject to the Guiding Principles outlined in the City's Procurement Policy 11.00.20.
4. The authorizing supervisor is the primary monitor to ensure the Cardholder complies with this and all other applicable City policies and procedures. Accounting Services

shall perform ongoing, reviews of credit card transactions and statements and address and report any identified non-compliance as appropriate.

- 5. Failure to comply with this policy may result in disciplinary action, including the revocation of corporate credit card usage privileges, mandatory reimbursement of non-compliant purchases, and disciplinary measures up to and including termination of employment.**

Process:

See Appendix 1 - Corporate Credit Card Procedures and Responsibilities

Related Policies:

- Code of Ethics (12.06:05)
- Council Remuneration and Expenses (11.00:25)
- Employee Reimbursement and Expense Claims (12.02:08)
- Employee Separation and Termination (12.05:15)
- Personal Protective Equipment (12.05:41)
- Procurement (11.00:20)
- Signing Authority (12.06:15)

Appendices

- Appendix 1 - Corporate Credit Card Procedures and Responsibilities
- Appendix 2 - Employee Acknowledgement of Procedures and Responsibilities for the Use of a Corporate Credit Card
- Appendix 3 - Lost Receipt Declaration Form

Divisions:

Finance

Appendix 1 – Corporate Credit Card Procedures and Responsibilities

1. Procedures

- a. Authorization for the issuance of a credit card must be approved by the authorizing supervisor and a director level manager or higher. The request can be submitted in writing via an email addressed to the Manager, Accounting Services.
- b. Monthly corporate credit card transaction reports along with all supporting documentation must be approved and signed by the authorizing supervisor and forwarded to Accounts Payable for processing.
- c. Completed and approved credit card transaction reports along with all supporting documentation must be received by Accounts Payable by the 10th of the month. Credit card transaction reports are available on the 5th of each month.
- d. Any charges not verifiable by an appropriate receipt will be the responsibility of the cardholder. Exceptions must be documented by the Lost Receipt Transaction Form and approved by the authorizing card supervisor.
- e. All corporate credit cards are initially issued with a \$2,000 transaction limit and a \$5,000 card limit.
- f. Corporate credit card limits may be increased temporarily for unusual circumstances by outlining the reasons and duration for the increase. The request can be submitted in writing via an email addressed to the Manager, Accounting Services.
- g. Permanent increases to corporate credit card limits will only be authorized if requested by a Director level manager or above and approved by the Director of Finance. Sufficient justification for a permanent increase must be provided. The request can be submitted in writing via an email addressed to the Director of Finance.
- h. Corporate credit cards will not be issued solely to facilitate payment of fees or charges related to one-time events – e.g. conferences or hospitality events

2. Responsibilities

- a. Employees holding corporate credit cards are responsible for adhering to this policy by:
 - i. Using the corporate credit card for appropriate business expenditures only.
Examples of appropriate business expenditures include:
 - travel expenses (flights, car rentals)
 - accommodations
 - taxis and ride shares
 - conference registration fees

- meals with the exclusion of alcohol
- renewal of professional membership fees
- renewal of subscriptions for professional magazines, books, guides and periodicals
- online purchases
- small dollar value retail purchases for which immediate payment is required

Examples of prohibited uses of the corporate credit card include (but are not limited to):

- cash advances
 - purchase of personal items, including (but not limited to) footwear or prescription safety eyewear as outlined in the City's Personal Protective Equipment Policy 12.05.41.
- ii. Retaining detailed receipts and providing explanations for all credit card transactions.
 - iii. Submitting the detailed original receipts and credit card transaction reports to the appropriate authorizing card supervisor for approval.
 - iv. Adhering to all reconciliation and submission deadlines for all credit card transactions.
 - v. Completing a Lost Receipt Transaction Form for items where the receipt has been misplaced and attaching the form to the monthly transaction report.
 - vi. Disputing any unauthorized charge by first notifying Accounts Payable of the dispute and then contacting the merchant directly. If the dispute cannot be resolved with the supplier, contact the credit card company directly using the toll-free telephone number on the back of the corporate credit card.
 - vii. Contacting the toll-free telephone number on the back of the corporate credit card to determine the reason for declined transactions, or contacting Accounts Payable for assistance.
 - viii. Immediately reporting a lost or stolen card to both the credit card provider and to Accounts Payable. A replacement card will be issued after taking these steps.
 - ix. Regular non-compliance with the cardholder responsibilities may result in card suspension, or in severe cases, permanent loss of cardholder privileges.
 - x. Keeping the corporate credit card personal identification number (PIN) in a secure place and never storing it together with the corporate credit card. Cardholders should memorize their PIN and never share it with others and should never keep their PIN on their person.

- xi. Returning the corporate credit card to their authorizing supervisor upon conclusion of employment.
- b. Authorizing supervisors are responsible for:
 - i. Reviewing and authorizing credit card statements and transactions made by their employees and **ensuring that all charges are appropriate business expenditures.**
 - ii. Requesting temporary changes to established credit limits and transaction limits for unusual circumstances.
 - iii. Notifying Accounts Payable of any cardholder's long-term leaves of absence.
 - iv. Monitoring credit card transactions and statements to ensure the cardholder complies with this and all other applicable City policies and procedures.
- c. Accounting Services personnel are responsible for:
 - i. Ensuring all credit card transactions are properly authorized and for appropriate business expenditures only.
 - ii. Processing credit card statements on a timely basis and accruing expenses in the proper accounting period.
 - iii. Timely processing of requests for new corporate credit cards and for credit limit changes.
 - iv. Provide guidance and support to cardholders and authorizing card supervisors.
 - v. Performing ongoing reviews of credit card transactions and statements and addressing and reporting any identified non-compliance as appropriate.

Appendix 2 - Employee Acknowledgement of Procedures and Responsibilities for the Use of a Corporate Credit Card

I, the undersigned, hereby acknowledge receipt of a Corporate Credit Card. I acknowledge that this card has been issued to me to make purchases in the course of my regular duties in connection with the City of Leduc. I will not use the card to make personal purchases. I fully understand that purchases made using this card are to be authorized by the appropriate authorizing supervisor, in accordance with the *Corporate Credit Card Policy*.

I acknowledge that I have read and agree to the *Corporate Credit Card Procedures and Responsibilities*. I confirm my agreement to these terms and conditions by signing below and by retaining and using the card.

I will be vigilant about card security to protect the card and the card account number, as well as the associated personal identification number (PIN), which is not to be divulged to any other person, except a merchant with whom I am transacting on behalf of the City of Leduc. I will not store or otherwise carry my card and the associated PIN together, nor will I add my corporate credit card number to a digital wallet. Should the card be lost, stolen, suspended or compromised in any manner, I will notify the corporate credit card provider and contact Accounts Payable immediately.

Furthermore, I understand that this card has been provided to me on behalf of the City of Leduc with the expectation that I will comply with the "Corporate Credit Card Policy." Failure to comply with this policy may result in disciplinary action, including the revocation of credit card usage privileges, mandatory reimbursement of non-compliant purchases, and disciplinary measures up to and including termination of employment. I agree to return this card upon request of either my authorizing supervisor or the Director of Finance and upon conclusion of employment.

Cardholder Name _____

Cardholder Signature _____ Date _____

FOR INTERNAL USE ONLY Program Administrator Signature _____ Cardholder Limitations: (1) Per transaction limit \$2,000 (2) Total monthly credit limit of card \$5,000	Cardholder Initials