

USE OF CREDIT AND PROCUREMENT CARD POLICY

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Effective Date	March 11, 2025	Policy Type	Administrative
Responsibility	Director, Financial Services	Related Policies	1. Hospitality and Community Stewardship Expenditures Policy 2. Procurement Policy 3. Travel and Related Expenses Policy 4. Progressive Discipline Policy
Approval Authority	Executive Council	Review Schedule	Every 5 Years

1. Policy Statement

1.1 Staff members of Northwestern Polytechnic (“NWP”) may be required to purchase nominal supplies, travel, or host, on behalf of NWP. 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. Scope

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

3. Reason for Policy

3.1 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 NWP.

3.2 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.

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

4. Definitions

- 5.1. "Corporate Credit Card" is a NWP 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 NWP 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 "Cash Advance" refers to cash withdrawn on the corporate credit card or procurement card.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. "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 (NWP).
- 5.5. "Department Head" refers to the Dean or Director.
- 5.6. "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.
- 5.7. "NWP Corporate Charge Card Administrator" refers to the employee who issues and cancels corporate charge cards and has overall responsibility for the NWP Corporate Credit and Procurement Card programs.
- 5.8. "Procurement Card" is a NWP authorized credit card assigned to an employee or department 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. Procurement card includes fleet and fuel cards.
- 5.9. "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.

5. Guiding Principles

- 6.1. Permanent employees that routinely purchase nominal supplies, travel, or host on behalf of NWP are eligible to apply for a charge card, with approval of the appropriate Department Head. Refer to NWP 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. If the cardholder changes positions within NWP, 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 NWP Corporate Charge Card Administrator.

- 6.4. In consultation with the supervisor, the Director, Financial Services 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.

6. 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 NWP related travel or business should be made to the Vice-President Administration.

7. 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.

8. Cardholder Responsibility

- 9.1. Cardholders must sign the NWP 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 NWP related business.
- 9.4. NWP 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. NWP corporate charge cards cannot be used for the following:
 - 9.5.1. Cash advances
 - 9.5.2. Capital equipment purchases
 - 9.5.3. Personal or non-business related purchases
 - 9.5.4. Professional development, unless accompanied with prior written approval
- 9.6. Cardholders must protect the charge card from loss, theft, and unauthorized purchases by keeping the card and PIN secure. Charge cards are not to be pre-saved on non-NWP authorized devices.
- 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 NWP 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 NWP, the cardholder's supervisor must notify the NWP Corporate Card Administrator and ensure the return or cancellation of the charge card.

9. 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. Electronic copies of 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 electronic copies for expenses on the charge card may result in the cardholder being personally responsible for the charges.
- 10.4. Ineligible charges made by the cardholder must be re-paid by the reconciliation due date.

10. Failure to Comply with Procedures and Processes

- 11.1. Director, Financial Services 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 investigated and appropriate action will be taken, in consultation with the supervisor, on the outcome of the investigation.

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Consequences may include, but are not limited to, an email warning, suspension of the charge card and cancellation of the charge card. Supervisor may also refer to the Progressive Discipline Policy.

- 11.3. Notification of offences, suspensions and cancellations will be sent to the cardholder, supervisor and/or respective Dean/Director/Executive.
- 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 Offense → Card Cancellation

11. 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 • Implement warnings and suspensions if the cardholder has failed to comply with procedures and processes
NWP Corporate Charge Card Administrator	<ul style="list-style-type: none"> • Administer NWP Corporate Credit and Procurement Card Programs • Perform monitoring and reviewing (e.g. auditing) charge card expenses
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

12. 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.

13. Inquiries

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

14. Amendments (Revision History)

- 14.1. Amendments to this policy will be published from time to time and circulated to the NWP community.
- 14.2. Post-Implementation Approval: December 18, 2018