

1. PURPOSE

- 1.1 This procedure is established to clarify the process for application **of a JCC credit card** and approval of charges.

2. FREQUENCY

- 2.1 As determined necessary by administration.

3. PRIMARY RESPONSIBILITY

- 3.1 The Accounting Services Manager (ASM) has primary responsibility for application.
- 3.2 Approval responsibility is within the authority of the Vice President of Finance & Operations (VPFO).

4. PRIMARY CUSTOMERS/STAKEHOLDERS

- 4.1 Primary Customers/Stakeholders: Jackson Community College (JCC) employee applying for a credit card, JCC employee responsible for a credit card.

5. CUSTOMER/STAKEHOLDER REQUIREMENTS

- 5.1 Application consistent with the criteria defined by College policy.
- 5.2 Timely application, approval, and payment of the JCC credit card.
- 5.3 Consistent implementation of JCC Policies and Procedures as they relate to a corporate credit card.
- 5.4 Monitoring purchasing activity.
- 5.5 Participate in annual renewal of credit card, including related training.
 - a. Policy/procedure changes
 - b. Problem areas
 - c. Changes in card use/limits
 - d. Review and sign the Acceptable Use Agreement

6. APPLYING FOR A NEW CORPORATE CREDIT CARD

- 6.1 [Applications](#) for a new card should only be submitted once the need for a new Corporate Credit Card has been established with applicant's immediate supervisor.

- 6.2 Before completing and signing the application the intended Cardholder is required to read the conditions contained in this document and the conditions of use specified on the JCC Application and Policy.
- 6.3 The application must be signed by the employee and their supervisor.
- 6.4 The application is then forwarded to the Accounting Services Manager (ASM) for review with Vice President of Finance and Operations (VPFO).
- 6.5 Prior to VPFO approval the ASM will recommend credit limit and service use.
- 6.6 If approved the ASM will:
 - a. Forward the relevant documentation to the Credit Provider for approval and processing
 - b. File all documentation associated with the application
- 6.7 The Credit Provider will forward the new card direct to the ASM. This will occur within 21 calendar days of receipt of the application.
- 6.8 Upon receipt of notification from the Credit Provider that the applicant's card has been approved the ASM will provide the new Cardholder with appropriate credit card information and orientation. Orientation will consist of:
 - a. Policy/procedure review
 - b. Timing requirements
 - c. Proper use
 - d. Tax exempt requirements
 - e. Credit limits and restrictions
 - f. Completion and reporting of the summary statement and receipts
 - g. Review and sign application and Acceptable Use Agreement
- 6.9 Cardholder is expected to:
 - a. Sign and activate their card prior to use in accordance with the Credit Provider's instructions
 - b. Read and comply with any other instructions issued by the Credit Provider

7 APPLYING FOR AN INCREASE/DECREASED CREDIT LIMIT

- 7.1 When applying for an increase or decrease in credit limit the applicant should acquire authorization from supervisor and provide to ASM by e-mail.
- 7.2 In order to authenticate authorization, the e-mail must be received from the approving supervisors e-mail account.
- 7.3 The ASM will then seek approval for credit increase from the VPFO.

8. APPLYING TO RETAIN A CREDIT CARD ON TRANSFER

- 8.1 When a Cardholder is appointed to a new position, whether that appointment is permanent or temporary, the Cardholder is required to re-apply in order to retain the credit card. (Procedure outlined in Section 6)

9. WITHDRAW AND CANCELLATION OF CARDS

- 9.1 In the event that a card is being withdrawn due to transfer the Cardholder will receive notification from the ASM that their application to retain the credit card has been denied.
- 9.2 In the event that a card is being withdrawn for general non-compliance in relation to reconciliation processes or cessation of need, the Cardholder and their supervisor will receive a written notification from any of the following parties indicating that their card is being withdrawn:
 - a. ASM
 - b. VPFO
 - c. Executive Director of Human Resources
- 9.3 The notification will indicate the reason for the withdrawal.
- 9.4 Upon receipt of notification of card withdrawal the Cardholder must:
 - a. Turn card into ASM or Human Resources

- b. Give their supervisor all documentation relevant to the final reconciliation of the card

9.5 Upon receipt of the card and reconciliation documentation, the ASM will notify the Credit Provider to terminate card.

10. HOW TO USE A CORPORATE CREDIT CARD

10.1 All purchases shall be made in accordance with the Purchasing Policy and Procedures and in accordance with budgetary responsibility.

10.2 Contact the ASM if there are any questions surrounding this requirement prior to making a purchase.

10.3 The following provides information as to the appropriate use of a corporate credit card and subsequent reconciliation and accounting procedures. In the event that either the Cardholder or the Cardholder's supervisor does not understand any of the conditions set out below, the ASM shall be contacted for clarification prior to the cards use.

11. STATEMENT RECONCILIATIONS

11.1 The Cardholder should keep all invoices/receipts from purchases in a safe place until the monthly statement arrives from the credit provider.

11.2 Statements are sent directly from the credit provider to the Cardholder at their College location or electronically.

11.3 Upon receipt of the statement the Cardholder should:

- a. Check each transaction for accuracy, enter the appropriate account codes against each item on Credit Card Summary Form and include a full description of the goods/services purchased
- b. Note invoices/receipts for entertainment expenses with the number of staff and non staff attendance
- c. Invoice/receipts that have been lost and cannot be replaced by the supplier require approval from the ASM or VPFO
- d. Attach all invoices/receipts and the statement to the Credit Card Summary Report

- e. Sign and date the Credit Card Summary Form and forward it to their supervisor for signature approval of expenditures by the 20th of each month

12. RETURNS, CREDITS AND DISPUTES

- 12.1 Cardholder should resolve disputes with the vendor or merchant.
- 12.2 Returns and credits require the same type of documentation as purchases. An item appearing on the Credit Card Statement as a charge that has been returned and credit has not yet appeared on the statement shall be recorded as an expense.
- 12.3 All credits shall be reported when they appear on the statement.
- 12.4 When a Cardholder is intending to go on leave and a statement reconciliation will fall due during the period of their leave, all necessary documentation (e.g. invoice, receipts, or declarations) shall be provided to their supervisor. Documentation is to be delivered prior to the leave of absence.

13. APPROVAL OF CREDIT CARD STATEMENT

- 13.1 Upon receipt of the reconciled statement the Supervisor should:
 - a. Ensure all receipts and invoices are attached to the statement
 - b. Ensure that the department has available funds and comply with budget allocations
 - c. Ensure all expenditures are in accordance with JCC Policies and Procedures
 - d. Sign and date the statement as provided when satisfied that all expenditures are in order
 - e. Forward to the ASM before the 25th of the month so the online accounting process can be completed within required deadlines
- 13.2 In the event that the Supervisor/ASM identifies misuse of the card, the VPFO is to be notified immediately.
- 13.3 In the event that the Supervisor/ASM identifies expenditures that are inappropriate, the Cardholder shall be informed immediately of the breach of Policies and Procedures and corrective action taken. The Cardholder may be required to

reimburse the College and/or disciplinary action may be taken up to and including termination of employment.

13.4 Upon receipt of the approved statement reconciliation the ASM should:

- a. Ensure statements have been signed and dated by the Cardholder and approved by their Supervisor
- b. Review transactions for correctness of general ledger coding and ensure an adequate description of goods/service have been provided by the Cardholder
- c. Ensure any purchase of a single item of equipment with a value of \$1000 or greater is recorded in Asset Inventory
- d. Issue payment and record expenditures on the general ledger
- e. File statements and their attached documentation

13.5 In the event that a Cardholder fails to provide the relevant documentation to the ASM by the 20th of the month, the Supervisor is responsible for following through with the Cardholder to resolve all issues no later than the 25th of the month or the Card will be suspended.

14. MONITORING AND REVIEW MECHANISMS

14.1 The ASM will conduct a monthly review and follow up of credit cards that have been suspended from use due to overdue transactions.

14.2 The ASM will conduct a quarterly review of credit card utilization and make appropriate recommendations to the VPFO.

14.3 ASM shall report to VPFO any credit card transaction over \$1,000 on a monthly basis, including business purpose for Board Reporting.

14.4 ASM will provide Human Resource department with a list of cardholders and update list as needed. Human Resources shall collect credit cards from cardholders at Exit Interviews.

15. COMPLIANCE

15.1 Failure to follow Credit Card Policies and Procedures may result in discipline up to and including termination of employment.

16. TRAINING

16.1 Cardholders will participate in training/orientation when they are issued their credit card and annual refresher training.

17. REVIEW

17.1 This procedure will be reviewed every one (1) year.

17.2 Revision Log

Rev. #	Reason For Change(s):	Date:
00	Original issue.	April 8, 2011

18. APPENDICES

18.1 Appendix A - Credit Card Application/Acceptable Use Agreement

18.2 Appendix B - Credit Card Summary Report

19. KEY DEFINIITIONS

19.1 None