

# Credit Card Policy

June 2021

## 1. INTRODUCTION

### 1.1 Purpose

The purpose of this policy is to outline the circumstances in which it would be appropriate to issue a University company card, the application process and the principles to ensure the proper use of University company cards. This policy also outlines the responsibilities of the cardholder.

### 1.2 Scope

This policy refers to all employees of the University and its subsidiary companies. Other representatives of the University (e.g. honorary fellows, researchers) where they are issued with a company card for the purposes of University business.

### 1.3 Definition

The University's Credit card is currently a Barclays Corporate card, issued to an individual. This policy will also apply to the following card types the University may issue:

- Procurement card
- Corporate credit or charge card
- Prepaid card.

### 1.4 Aims of the Policy

This policy seeks to ensure:

- Departments/Schools accurately account for their expenditure on company cards
- Control is maintained over the nature and level of expenditure.
- Adherence to the University's purchasing policy
- Compliance with the University's expenses policy including travel and subsistence guidelines.
- Adequate controls are in place to avoid a breach of the conditions of usage of company cards.
- Security measures are in place to minimise the potential fraud/misuse of company cards.
- Compliance with the University's Financial Regulations.

## 2. POLICY

Company cards must be used for expenditure directly relating to University business. This may include travel and restricted entertaining as necessary.

### 2.1 Travel and Subsistence

Travel and subsistence purchases made using company card must be completed in line with the Expenses Policy. Hotel accommodation, travel and meals can be booked using the company card.

### 2.2 Business Entertainment

The University recognises that there may be occasions when it is appropriate to provide hospitality to external customers or other supporters of the University. On

these occasions the section 12: Business Entertainment of the Expenses Policy must be adhered to.

### 2.3 Purchase of goods

Company cards can be used to purchase goods and services for University business only. Adherence to the University Procurement policy and Financial Regulations is required.

Circumstances where it is cost-effective to make purchases using a company card include:

- The supplier does not accept purchase orders.
- The value is normally less than £2,500.
- Payment for goods or services available on reputable websites, where purchasing from these sites is appropriate and in line with this Policy.
- There is a business critical and urgent purchase requirement that cannot be processed in time as a PO. Financial approvals must be obtained beforehand.
- The purchase of the goods or services does not require a formal signed contract to be in place. Formal contracts may be required to help protect the University from agreeing to unfavourable terms and conditions that may pose unacceptable financial, intellectual property, reputational or critical supply risk.

Company cards must not be used for:

- Private expenditure under any circumstances
- Cash withdrawals in any currency
- Internal business transactions within the University ie. between departments.

Misuse of the company card may result in the card being withdrawn.

### 2.4 Financial Limits

Company cards are operated within the limits set within the Delegation of Authority (DoA) and the Financial Regulations. The amount that can be committed a card holder in any single transaction would normally be £2,500 per transaction and is governed by the authority for revenue expenditure. The DoA specifies the spend limit of the card holder.

There may be occasions where one-off purchases are required that exceed these limits. Approval is required from the Head of Finance or Chief Financial Officer as administrators of the card to amend the card limit.

## 3. APPLICATION PROCESS

Heads of Departments are responsible for ensuring that the issue of a card is appropriate. The following process should be following when requesting and issuing a company card.

### 3.1 New Card Request

- The Head of Department should complete the request form and return to Finance
- Finance will assess the application; the following factors will influence the outcome:
  - The nature and extent of minor purchases of goods and services that may be undertaken e.g., internet purchases
  - The frequency and nature of domestic and international travel that may be undertaken in the course of official duties
  - The need to meet the cost of entertainment/hospitality costs
- If accepted a company card application form and Terms & Conditions form will be issued to the applicant.
- The card holder must complete the Application Form and accept the Terms & Conditions, which must be signed by both the card holder and Head of Department.
- The forms must be returned to Finance for processing and subsequent submission to the service provider.

### **3.2 Collection of Company Card**

- Company cards are sent directly by the service provider to the Finance Department.
- After notification of receipt, the card holder should arrange to collect the card from the Finance Department, where documentation is signed as confirmation of collection.
- Please ensure that one of the following forms of identification is presented upon collection:
  - Current University ID card
  - Driving licence
  - Passport

This will be photocopied and attached to the Terms & Conditions form.

## **4. CARDHOLDER ADMINISTRATION**

### **4.1 Using the Company Card to make approved purchases.**

Expenditure on company cards should only be undertaken with the prior approval of the budget holder. Expenditure must be incurred by the cardholder in the furtherance of his or her duties for the University.

Cardholders must ensure that no unnecessary costs are incurred, and that the University receives value for money in all its purchases.

Cardholders must keep a record of each purchase to check against his/her monthly statement.

The company card is used in the same way as an ordinary credit card but some commodities are blocked. Cardholders will be advised when issued with a card which commodities may be purchased.

Adherence to the University Expenses and Procurement policies, the Financial Regulations and Scheme of Delegation is required by all card holders.

### **4.2 Monthly Company Card Statements**

Monthly Barclaycard statements must be completed each month detailing each transaction and its purpose, supported by receipts/invoices, coded and the statement authorised by the Head of Department/ Line Manager.

The Inland Revenue may consider un-receipted transactions to be taxable benefits. Any element of personal expenditure MUST be repaid to the University in full when the credit card expense form is submitted to Payroll.

NB: A credit card slip is NOT supporting documentation, as it does not always detail the specific goods/service purchased.

#### **4.3 Unrecognised Transactions**

The cardholder is responsible for all entries appearing on his/her statement. If an unrecognised transaction appears, the cardholder must directly contact the credit card service provider.

They will then investigate the issue. Heads of Department and Finance must be kept informed of any anomalies.

#### **4.4 Disputed Items**

In cases where goods have not been received, deliveries are incomplete or goods are returned due to gault, the cardholder should in the first instance, contact the supplier who should rectify the issue either by replacing the goods or refunding the company card. If the supplier does not promptly rectify the issue to the cardholder's satisfaction, the cardholder should contact the Finance Department for assistance.

#### **4.5 Change of Address**

The card holder should notify the service provider of any change of address. Alternatively, the cardholder can contact the Finance department to notify the service provider.

#### **4.6 Lost or Stolen Cards**

The cards is to remain the possession of the cardholder at all times or alternatively be kept in a suitable safe within the department. In the event of the card being lost or stolen, cardholder must immediately contact the service provider.

Lost/stolen cards must be reported to the Head of Department and Finance Department who will place a stop on the card.

#### **4.7 Leaving Employment**

The cardholder must return the credit card to the Head of Department when:

- submitting notice of resignation, or
- no later than one month prior to the final date of employment.

The cardholder must ensure that:

- all credit card expense forms have been submitted and agreed
- any queries are cleared.

- all continuous subscriptions cancelled, before they leave employment.

The department must return the card to Finance for destruction and cancellation with the service provider. The department must also cancel any continuous subscriptions (with the relevant supplier) that may possibly be charged to the card at a later date.

## 5. MISUSE OF CARDS

The Head of Finance, under delegated authority of the Chief Financial Officer, will monitor the use of company cards and may withdraw a card at any time if a cardholder fails to observe the Credit Card Policy.

Specifically, where an Administrator uses the card to purchase goods / services on behalf of a department, then they must ensure the card is used strictly in adherence with this Policy and the associated University Financial Regulations. Under no circumstances can the Administrators bypass this Policy even where their direct Line Manager may inadvertently request this deviation. Any related issue should be referred to the Finance.

The Company Card may not be used for personal purchases even if the card holder intends to repay the cost at a later date. Use of the Purchase Card for anything other than University business will be treated as a disciplinary offence.

**APPENDIX**

1. University Company Card Request Form
2. University Company Card Terms & Conditions

## University Company Card Request Form

Applicant's name:		Payroll No:	
Job Title:			
Department Name:		Dept. Code:	
Applicant E-mail address:			
What will the card be used for? (tick as appropriate)			
<input type="checkbox"/> Air	<input type="checkbox"/> Train	<input type="checkbox"/> Hotels	<input type="checkbox"/> Meals
<input type="checkbox"/> Other (please give details):			
Estimated monthly expenditure:	£		

Applicant's Signature:		Date:	
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Head of Department's Name:			
Head of Department's Signature:		Date:	

University Company Card terms & conditions:

University Credit Card procedures which covers Non-Pay Expenditure:

### Finance Division Use Only

Application:	Accepted / Refused	Employee status verified	Yes / No
Reason:			
Signature:		Date:	
Job Title:		Credit Limit set:	

## University Company Card Terms & Conditions

### PURPOSE OF COMPANY CARD

The University issues credit cards to its employees where it is deemed the only effective method of payment in performance of duties.

Heads of Department are responsible for ensuring that the cards are used for the purpose intended. However, it is the cardholder's obligation to abide by the terms and conditions set.

Where departments have stronger controls than these procedures, they may be adopted. In general, these procedures should be used and are therefore recommended as good practice.

### USING YOUR CREDIT CARD

- Company cards must be used exclusively for expenditure directly relating to University business. This may include travel and restricted entertaining as necessary.
- Adherence to the University's current rates for travel and subsistence is required. When undertaking foreign travel if it is anticipated that these rates will be exceeded, a written agreement must be reached with the Head of Department to decide an acceptable level of reimbursement. Evidence of such an agreement must be retained and attached to the monthly statement
- If the credit card is used for entertaining University clients, then a record of the meeting, explaining its purpose and all attendees is required.
- Purchase of goods
- Cash withdrawals are **NOT** allowed using the company card.
- Foreign currency cash withdrawals NOT allowed using the company card.
- The University's credit cards should **NOT** be used for internal business transactions within the University i.e. between departments.
- Barclaycards must **NOT** be used for private expenditure under any circumstances.
- Misuse of the card may result in the credit card being withdrawn.

### DOCUMENTATION – MONTHLY CREDIT CARD EXPENSE FORMS

Monthly Barclaycard statements must be completed each month detailing each transaction and its purpose, supported by receipts/invoices and statement authorised by the Head of Department/ Line Manager.

The Inland Revenue may consider un-receipted transactions to be taxable benefits. Any element of personal expenditure **MUST** be repaid to the University in full when the credit card expense form is submitted to Payroll.

NB: A credit card slip is **NOT** supporting documentation, as it does not always detail the specific goods/service purchased.

### SECURITY

Your card must remain in your possession at all times or alternatively be kept in a suitable safe within the department.

The card is for your use only. If transactions appear on a statement, which have not been made by you, they must be referred immediately to the Barclaycard Customer Service on 0844 822 2140 for investigation. They must also be reported to your Head of Department.

**CHANGE OF ADDRESS**

You should notify Barclaycard of a change of address. However, the cardholder or their representative (e.g. dept. admin. Officer) can contact the Finance Department to notify Barclaycard.

**LOST/STOLEN CARDS**

**In the event of your card being lost or stolen, you must immediately contact either Barclaycard Customer Services on 0844 822 2140 (if the card number is not available), or the Lost and Stolen Department on 0800 0159 059 (or from abroad: +44 800 0159 059).**

Lost / stolen cards must be reported to your Head of Department. Replacement cards will be sent to the Finance Department for collection by the cardholder / approved proxy.

**LEAVING EMPLOYMENT**

You **MUST** return your Barclaycard to the Head of Department when submitting notice of your resignation or no later than one month prior to the final date of employment. You must ensure all credit card expense forms have been submitted and agreed and any queries are cleared before you leave.

**FURTHER GUIDANCE**

Further guidance is contained in the University Credit Card Policy and the University Financial Regulations.

I hereby acknowledge that I have read and agree to abide by the terms and conditions set for the use of the University's credit card. I understand that my failure to comply may result in the card being withdrawn.

Applicant's name: (for the University employee's only)			
Applicant's Signature:		Date:	
Head of Department's Name:			
Head of Department's Signature:		Date:	