

# STOCKTON UNIVERSITY



## PROCEDURE

### Credit Cards for Employees

Procedure Administrator: Associate Vice President for Administration and Finance

Authority:

Effective Date: July 16, 2003; July 21, 2003; September 14, 2009

Index Cross-References:

Procedure File Number: 6611

Approved By: Dr. Herman J. Saatkamp, Jr., President

### PURPOSE:

To ensure the appropriate use of credit cards established for and issued to employees of Stockton University in conducting the business of the University.

### PROCEDURE:

"Cardholder" refers to a person (employee) to whom a credit card is issued. Those entrusted are required to "use" any credit card issued on behalf of the University, according to the procedures established herein, while consistently applying "best business practices." All employees utilizing University credit cards while conducting business are expected to exercise the same fiscal care and caution in incurring expenses that a prudent and reasonable person would exercise in the course of conducting personal business at his/her own expense. All transactions are to be in compliance with the University Policies and Procedures.

### Cardholder Responsibilities

All cardholders who have been issued a credit card are responsible for the physical safeguarding of the credit card. It is that cardholder's sole responsibility to take appropriate action should a credit card be missing. Immediately upon discovering that has been lost, stolen or compromised, a cardholder must report this by phone directly to the card issue bank and to one of the University card administrators.

It is the responsibility of each cardholder to review and provide adequate documentation to support all charges to the account. All unsupported charges, or those that are determined as not being of a business nature, will be charged back to the cardholder. Such charges are unacceptable and are in violation of this Procedure. Expenditures are reimbursable if they are incurred in accordance with this and all other appropriate University Policies and Procedures. The University reserves the right to impose appropriate disciplinary sanctions as a result of an employee's impermissible spending that is in violation of this Procedure and/or violation of any applicable University Policy or Procedure.

It is the responsibility of the cardholder to review and comply with the card agreement, University policies and procedures. Additional fees incurred may be charged back to the employee unless justification is submitted along with other supporting documentation for payment, e.g., the credit card provider may charge the following fees: over limit fee, copy fee, replacement card fee, etc.

Cash Advances and the purchase of Cash Equivalents are prohibited under this Procedure.

All supporting documentation must be submitted to the Accounts Payable Department within five (5) business days of receipt of the credit card statement by the cardholder or return from travel. Written justification is required should the cardholder be unable to comply with this requirement for any reason. Consistent noncompliance may result in the cancellation of the cardholder's credit card.

If an erroneous charge appears on your billing statement, immediately contact the credit card bank and University card administrator. Provide complete details of the transaction.

## Credit Card Transactions Cardholder

Cardholder uses card resulting in transaction being posted on bank website credit card is only used by authorized holder whose name resided on the card (other employees can use someone's card for Stockton business purposes if they receive permission from the cardholder)

Every two weeks, a statement is generated by the credit card bank, an email of notification is sent to cardholder with activity Cardholder must provide itemized documentation of all transactions

## Review and Approval of Expense Report

### Cardholder

Receives expense log or statement, attach original receipts, travel payment voucher form, write ARRT form # and FOPAL on log and/or process a travel payment voucher form

After completing the above steps, the cardholder will

Forward documents to A/P if applicable to ARRT /ARE form

Forward documents to BUM for approval if not travel related, then to A/P for processing

Reconciliation of all charges on expense log must be completed timely

If cardholder does not recognize a charge or a charge is in error, cardholder is to immediately contact the credit card bank for dispute of charge

### A/P

A/P staff members review expense logs for original receipts and accuracy of charge

A/P staff member will post to appropriate ARRT/ARE form

Documents may be reviewed by Purchasing Department for vendor information

Original documentation is forwarded to Controllers office staff for recording of transaction

## Payment of Credit Card to Bank

### Controller's Office Staff processing

The statement is generated every two weeks

Statement is printed; direct pay is processed and sent to A/P for disbursement of entire statement balance, A/P compares direct pay amount, bank statement, direct deposit amount then disburses payment

Expense log is scanned and sent to every cardholder with activity in the statement period for expense reconciliation

## Recording of Transactions

### Controller Office Staff

Direct pay process through credit card clearing account

Journal entries are processed to expense departmental budgets

## Canceling a University issued Credit Card

### Lost or Stolen Cards

#### Cardholder

Immediately upon discovering that a card has been lost or stolen, a cardholder must report this by phone directly to credit card bank and one of the University card administrators

#### Any Card Administrator

Terminate card immediately- contact other administrators of action taken

### Termination of Card

#### HR

Upon notification of employee leaving Stockton, the HR administrator will contact employee to relinquish University issued card

HR administrator will sign on the bank website and terminate card then notify Travel Administrator to review current charges on card then A/P and Controller office staff of card termination

Card will be returned to HR to destroy

#### A/P

A/P will notify cardholder of outstanding charges and request immediate reconciliation, Controller office staff will follow up

#### Controller Office Staff

Review any outstanding expenses logged for employee - request from employee receipts or reimbursement of unauthorized charges

Outstanding expenses are to be reconciled; HR will be notified of outstanding charges to review at exit interview

### General Information

This Credit Card Procedure has been established to increase efficiency in conducting University business. All University Policies and Procedures apply. The use of credit cards must not be used as a means of circumventing the purchasing function. It is the responsibility of each cardholder to use University-issued credit cards appropriately.

### Approval History:

	Date
President	09/14/09