

University Policy 100.04
CREDIT CARDS

Responsible Administrator: Controller

Responsible Office: Office of Fiscal Affairs

Originally Issued: July 2011

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Authority: Office of the President

Policy Statement

It is the policy of Claflin University to provide a convenient method of payment for employees who frequently travel on University business.

Statement of Purpose

This policy provides guidance for the use and management of Claflin University credit cards.

Applicability

This policy applies to all credit cardholders, administrators who approve credit cards, and finance personnel who manage credit cards at the University.

Administration

Claflin University participates in two credit card programs to include the American Express card distributed to the University President and the VISA card distributed to employees who "frequently travel." Frequent travel is defined as traveling at least once a month outside of the University's radius of 75 miles.

Detailed below are various stages of credit card administration beginning with applying for a credit card to return of a credit card.

Applications for Credit Cards

1. The Provost and the Vice Presidents are responsible for submitting requests for employees to be considered for issuance of a credit card.
2. An employee considered for issuance of a card must complete an internal application, the Request for University Credit Card (RUCC) form.
3. The application must be approved in the order of the employee's immediate supervisor, the area Vice President, the Vice President of Fiscal Affairs, and the University President.
4. If approved, the Vice President of Fiscal Affairs will submit an order for a credit card.
5. The University Controller is responsible for securing an approved credit card for an employee; providing necessary computer access to a credit cardholder; and on-going oversight of credit card use. In addition, the Controller is responsible for scheduling and providing training to the new cardholder. The failure of the cardholder to attend training will result in the withdrawal of the employee's University credit card privileges.

Use of Credit Cards

1. **Travel code restrictions** have been placed on credit cards issued to Claflin University officials with the exception of the University President, the Provost, and the Vice President. These restrictions will not allow use of the credit card at restaurants, retail merchants such as Walmart and/or grocery stores. Therefore, University officials other than the President, the Provost, and the Vice Presidents, should be prepared to purchase meals while traveling on University business through a means other than the University credit card. The University will reimburse these individuals in accordance with the federal rate for meals for the particular locality, requiring no receipts for meal costs. (see the Policy on Travel, Policy #100.01)
2. The only **personal transactions** on a University credit card should be those which are charged by mistake. As such, personal transactions on University credit cards should rarely occur. Payment plans to reimburse the University in those rare cases will not be granted; rather, personal transactions on a credit card statement must be paid in full upon receipt of the statement. If a payment is not made in full, the credit card will be deactivated and the amount will be reimbursed through payroll deduction and other available sources.
3. University credit cards are not intended to circumvent the **University's procurement process**. To that end, credit cards should not be used to purchase routine and regular items such as office supplies or to purchase fixed assets (items that have a useful life of longer than a year, are separately identifiable, and exceed \$5,000 in value).

Misuse of a University card may warrant disciplinary action up to and including termination of employment.

Review of Credit Card Charges

Several University officials have responsibilities related to review of credit card charges as follows:

1. The **University President** is responsible for review of charges made by the Provost and Vice Presidents.
2. The **Provost and Vice Presidents** are responsible for review of charges made by employees in their area.
3. **Managers/supervisors of credit cardholders** are responsible for review of employee card charges to include credit card statements and supporting documentation before submittal of this information to the Office of Fiscal Affairs. A manager/supervisor must sign and date documents reviewed; otherwise, the documents will not be accepted by the Office of Fiscal Affairs.
4. In rare cases where credit cards are used for non-travel expenditures, **the Provost or the area Vice President** must review and pre-approve use of the card for the purchase. (See *Use of Credit Cards*, #2).

Ongoing Credit Card Processes

1. The credit card limit is dependent upon the job title of the employee; for example, the limit for a Dean is set at \$5,000. Any exceptions to established limits are recommended

by the Provost or the Vice Presidents and then, considered by the Vice President of Fiscal Affairs and the President.

2. The Vice President of Fiscal Affairs is responsible for annual review of credit card limits to determine if the amount of an individual limit continues to be appropriate. Any recommendation for change is made by the Vice President of Fiscal Affairs to the University President.
3. Cardholders are responsible for maintaining documentation of monthly credit card charges to reconcile and allocate those charges to the credit card statement. The documentation should then be submitted to the Office of Fiscal Affairs.

Return of Credit Cards

Credit cards issued to Claflin University employees are the property of the University. Upon request by University management, an employee is required to surrender the credit card. Surrender of a card is required immediately upon termination of employment.

CONTACTS

- **Charge disputes, lost or stolen cards (during business hours) and the need for replacement cards**, should be reported to the University Controller in the Office of Fiscal Affairs.
- **Lost or stolen cards after business hours** should be directly reported to VISA at 1-888-449-2273.

REWARDS PROGRAM

As a part of the VISA and the American Express credit card programs, the University participates in rewards programs. Points from the programs are based on the amount of University purchases which can be redeemed for items such as cash value rewards; for example, a \$2,500 cash reward. The reward points are redeemed for the University's use, not individual credit cardholder use.

A record of reward points is maintained within the Office of Fiscal Affairs and points can be redeemed by designated University officials who are respectively VISA or American Express program administrators. The use of the reward points are determined by the President's Cabinet.

MONITORING OF CREDIT CARDS

Appropriate University staff may monitor use of the credit card and the rewards programs, to include obtaining information from the applicable financial institution regarding the number and value of points earned and redeemed.

