

Use of Agency Issued Credit Cards/Purchasing Cards

Reviewed Date		Number	<i>FI0111</i>
Revised Date		Approved Date	<i>October 12, 2016</i>

Introduction

In accordance with the agency procurement policy FI0107, Purchasing Cards and Credit Cards are authorized for use by the Medical Officer of Health/Chief Executive Officer and his/her delegates to carry out approved business transactions in accordance with a written card holder agreement and procedure.

The Board of Health delegates to the Medical Officer of Health/Chief Executive Officer (CEO) responsibility for establishing, and monitoring compliance with, purchasing and contracting procedures and practices consistent with the purpose, principles and limitations defined within the procurement policy. Purchasing procedures used shall ensure purchases of goods and services meet defined requirements for suitability, quality, safety, delivery and accessibility at the most economical price.

Purpose

This policy describes the authorized use of agency issued credit cards and purchasing cards and the limits imposed by the Board of Health and Medical Officer of Health/Chief Executive Officer in support of the delivery and administration of health unit programs and services to ensure goods and services are acquired through a process which complies with agency policy and reinforces appropriate authorization and tracking.

Policy Definitions and Interpretation

Card Holder agreement: an agreement between SMDHU and financial institution that governs the credit card.

Procurement: The acquisition by any means including by purchase, rental, lease or conditional sale of goods, services or construction.

Purchase: To transfer ownership of a good or service.

Purchasing Card: means a payment method whereby duly authorized employees of the Health Unit are empowered to purchase directly from suppliers/contractors/vendors using a credit card provided by the Health Unit, as issued by a bank or major credit card provider and, in accordance with a written card holder agreement and procedure.

Policy

Corporate credit cards are issued to the following positions to make purchases as required and authorized in the course of conducting health unit business:

- Medical Officer of Health/Chief Executive Officer
- Director of Program Foundations and Finance
- Finance Administrator

- Program Assistant Purchasing

As the primary card holder, these employees are responsible for ensuring all purchases follow the agency procurement practices and are authorized in accordance with agency policy. The employee will sign a Credit Card / Purchasing Card policy acknowledgement form retained by Human Resources.

Purchasing cards with a maximum credit limit are issued for each health unit vehicle to be used for the purchase of gas and other vehicle maintenance supplies. See Appendix A

Credit/Purchasing Cards are to be used for health unit purchases **only** and are not for personal use.

Credit/Purchasing Cards are to be secured at all times. Receipts/Invoices for purchases made by purchasing or credit card are to be retained and submitted to finance in accordance with the procedures outlined below. Credit/Purchasing Card statements are received by Finance and reconciled monthly with records of purchase.

Credit/Purchasing Card holders are to notify their manager and the Finance Department immediately if a card is lost or stolen.

Procedures

A. Agency Issued Credit Cards

1. Agency Issued Credit Cards are kept by the person to whom they are assigned. Credit card information is maintained in the Finance department.
2. Agency Issued Credit Cards are used by staff to carry out approved business transactions when other methods of payment such as payment by cheque or charge account are not available.
3. Purchases on the Agency Issued Credit Cards must follow the normal procurement process. The Board of Health authorizes purchases to carry out approved business transactions where other payment methods are not available for purchases such as but not limited to:
 - Securing hotel bookings
 - Purchasing airline tickets
 - Conferences
 - Online items
 - US transactions
 - For other expenses deemed appropriate by the Medical Officer of Health / Executive Officer
4. Requests for purchases will follow the normal procurement process for requisition and approval
5. All Agency Issued Credit Cards holders are required to maintain a log of all transactions authorized for payment on Credit Card.

6. Receipts/Invoices and all related paperwork for items purchased using the Agency Issued Credit Cards are to be forwarded to the Financial Administrator Program Foundations and Finance (PFF) immediately following the purchase.
7. Finance staff match the purchase receipts to the credit card statement ensuring purchases where authorized and the proper amount was charged.
8. The transactions included in the credit card statement are entered into the Accounting software and payment is made.
9. In the event that a card is lost, stolen or fraud is detected the card holder must notify Financial Administrator immediately. The Financial Administrator will notify the Director of Program Foundations and Finance immediately to be made aware of the situation, identify the potential risks and discuss next steps. The Financial Administrator will work with the credit card company to cancel the effected card numbers and submit a statement of fraudulent charges claim. The Financial Administrator will work with the Credit Card Company to issue a new card.

Purchasing Cards

1. Purchasing Cards are deployed with each health unit owned or leased vehicle. Purchasing Card information is maintained in the Finance department.
2. The Board of Health authorizes purchasing credit card to carry out approved business transactions for purchases such as but not limited to:
 - Gasoline
 - Maintenance supplies
 - For other expenses deemed appropriate by the Medical Officer of Health / Chief Executive Officer
3. Staff using the purchasing card are required to maintain a log of all transactions authorized for payment on Purchasing Credit Card and initial and retain receipts with the vehicle information.
4. Initialed Receipts/Invoices and all related paperwork for items purchased using the purchasing card are to be forwarded to the Financial Administrator PFF monthly by the manager/supervisor primarily responsible for the vehicle.
5. Finance matches the purchase receipts to the purchasing credit card statement ensuring purchases where authorized and the proper amount was charged. The transactions included in the purchasing credit card statement are entered into the accounting software and payment is made. Purchases are audited against vehicle documentation as required.
6. In the event that a card is lost, stolen or fraud is detected the card holder must notify Finance immediately. The Financial Administrator will notify the Director of Program Foundations and Finance immediately to be made aware of the situation, identify the potential risks and discuss next steps. The Financial Administrator will work with the credit card company to cancel the effected card numbers and submit a statement of fraudulent charges claim. The Financial Administrator will work with the Credit Card Company to issue a new card.

Related Policies

FI0107 Purchasing Policy

Related Forms

Acceptable Use Agreement – Agency Credit Card

Final Approval Signature: _____

Review/Revision History:

2016-10-12 *New*