

OPERATIONAL POLICY - Credit Card Policy **Adopted December 2022 - BOD**

Preamble

The SCSU does a high volume of transactions that creates financial strain on individuals required to utilize their personal resources to make necessary and pre-approved purchases for the Union. The SCSU serves to benefit from a corporate credit card for the following reasons:

- The staff will be able to purchase office supplies, software subscriptions and other items without submitting an expense report.
- The organization will be able to earn points on business expenses then receive membership rewards which can be used against our credit statement.
- SCSU will receive up-to-date online monitoring tools to enforce policy compliance, track expenses and creating reports.
- Card liability and protection such as Buyer's Assurance Protection Plan which extends the warranty on eligible purchases (computers, printers, etc.)
- In case of theft and damage, the Union will be able to get reimbursed for the amount.
- SCSU's business credit card shall have employee card misuse protection insurance. In the case that an employee does misuse this credit card, the Union will be able to get reimbursed through this insurance.

Procedures

In addition to the misuse insurance protection on the card itself, the following procedure will be implemented to ensure fiscal responsibility and strong financial controls:

- The Executive Director will be the only Cardholder for the credit card and the card will be in their name.
- The executives and staff will sign and abide by an employee credit card agreement acknowledging that the credit card belongs to the company and executive director.
- The Executive Director, VP Operations, President, Accountant shall be empowered to investigate charges as they fit.
- The Executive Team, the Executive Director, Accountant, Operations Coordinator, Internal Coordinator, Campaigns and Advocacy Coordinator, Graphic Designer, and Events & Membership Engagement Coordinator will only have access to request the use of the credit card. Any other individuals will not be able to request the use of the credit card.
- Like expense reports, two signing officers (Executive Director mandatory) will need written approval to purchase before authorizing the use of the credit card. In the case of subscriptions (i.e. Sage, Zoom, etc.) the credit does not need approval each month.
- All members who use the credit card for purchases will need to keep receipts and submit documentation with the date and purpose of the expense to the Accountant.
- In the event of misplaced receipts, the executive/staff member will have only one-time grace submission. If it occurs again, the individual's credit card privileges will be taken away.
- When not used, the credit card will be protected by the Accountant or Executive Director in their safe.
- The Accountant will create monthly credit card reports which will be forwarded to the Executive Director, President and VP Operations to ensure that they have approved of all expenses.
- The credit card will be paid within 5 business days once the credit statement has been created.

Redemption of Points

All points will be redeemed as Statement Credits against the Company's billing statement. As part of the Employee Agreement, no individual will be able to redeem points for gift cards, merchandise, Amazon.ca, retail rewards or any other redemption options.



At the point value of 168,000 and/or the last billing period of the calendar year, the Accountant will redeem points as Statement Credits against a future billing statement.

Card Misuse Protection

In the event where the Executive Director (cardholder of the credit card), the Vice- President Operations, President, Accountant, or Operations Coordinator, recognizes that there is an unauthorized transaction or series of transactions, including a cash advance, charged to the Company's Account.

Within two business days of the unauthorized transaction(s), any of these individuals will terminate and cancel the Card. In addition, any of these individuals will provide all information for the Proof of Loss application including, the completed claim form, all billing statements on which there is an identified Unauthorized Expense, explanation which supports the contention that the Unauthorized Expenses for which the Union is seeking a payment were inappropriate and did not benefit the company, and the copy of the employee/employer agreement for the use of the credit card.

If the total unauthorized amount of transaction(s) is greater than \$1.00 and \$200.00, any of these individuals will formally notify the Executive Committee of the unauthorized transaction(s). If the total amount of unauthorized transactions is greater than \$200, any of these individuals will need to notify the Finance Committee and the Board of Directors.

If the total amount of unauthorized transactions is greater than \$500, Scarborough Campus Students' Union will need to have a forensic audit completed. Moreover, the Scarborough Campus Students' Union will contact the appropriate authorities (including Toronto Police Service) to proceed with charges against the individual who incurred the unauthorized transaction(s). In addition, the Scarborough Campus Students' Union will request the individual who incurred the unauthorized transaction(s) to return the funds lost on the transaction(s) to the Scarborough Campus Students' Union. If the individual does not provide the funds within five business days, the Scarborough Campus Students' Union will proceed with litigation against the individual who incurred the unauthorized transaction(s)