

## Proposed Update to our Credit Card Policy

September 25, 2020

Updated 11/20/20

### **Purpose:**

George Fox will provide a clear and comprehensive policy covering the use of GFU credit cards by employees of the university. The objectives of this policy are to:

- Provide guidance to employees regarding the approved and appropriate use of credit cards.
- To provide adequate oversight and control to continue to modify spending due the uncertain financial climate caused by COVID-19.
- To facilitate the purchasing policy for those goods that qualify under the policy to be purchased via credit card to further the mission of the University.
- The purchase order requirement would be eliminated for purchases that fall within these parameters.

### **Scope:**

This policy applies to all faculty and staff of the University effective 10/31/20.

The current "One-Card" will be reconfigured to provide more specific spending parameters to enable each department and/or employee to complete the requirements of their position and meet the goals of the university in the most efficient means possible. New cards will not need to be issued and there will still just be one card. The purchasing parameters on each card will be adjusted based upon approved use. Cards will be reconfigured in the following manner:

- Most departments will have a card(s) available for the purchase of goods falling below the \$5000 purchase order requirement.

Subscriptions to reference materials and conference fees may also be included.

- Individuals in specific departments that travel with students and/or that travel is a necessary function of their job duties will continue to have the ability to purchase travel related expenses and for incidental expenses that could occur while travelling. Examples for these departments would be Advancement, Admissions, Athletics and Juniors/Study Abroad.
- For departments where the practice of purchasing coffee or meals with a student, donor or employee is an important and necessary component of their GFU mission the department or individual will have the ability to purchase meals/refreshments locally. Examples might be Student Life working with students, HR meeting with employees or Advancement meeting with donors.
- Cards held by the President, the Provost and the VPs will continue to be available for the purchase of goods, travel and local meals.
- Individual cards may be available for one or a more of the purchasing protocols listed above.
- The Provost and the VPs are ultimately responsible for the appropriate use of the cards within their respective department(s).

### **Policy:**

Credit cards do not replace the use of purchase orders, which is the preferred method of purchase by the University with payment by electronic transfer or check through the Accounts Payable department. Most purchases of goods or services greater than \$5K will use the purchase order system. Should payment by credit card be required by the vendor, rather than by electronic transfer or check, the credit card payment should be made through the Purchasing Dept.

Travel booked through Egencia and/or Enterprise car rental and billed directly to the University is the preferred method of booking travel when possible. Please see Kathi Becker for questions and assistance with Egencia.

Credit cards should only be used for the ordinary and necessary business of the university. The business purpose for any credit card purchase should be clearly documented and appropriate third-party verification of price and terms (like an invoice) be uploaded to Concur.

The existing credit cards will be reconfigured for one of three purchasing criteria or a combination thereof. Cardholders will continue to have only one card – the purchasing parameters are coded to the card.

Procurement-type expenditures:

- For the purchase of goods and limited services under \$5K, or in other cases where the use of a purchase order would not be practical.
- Individual purchase authority will be configured to fit the user/department based upon the types of approved purchases that the user/department has made in the past.
- Limited services would include subscriptions and memberships
  - Conference fees will be available however, any related travel would need to be completed by a card holder with travel-related purchasing authority.
- This card should NOT be used for services provided by an individual/sole proprietor or partnership such as for professional services.
- Some departments may request higher limits to better accommodate their mission, that request should be made via email and include the approval of their area VP. An example would be Advertising.
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Travel-type expenditures:

- For the purchase of ordinary and necessary business travel including transportation, lodging and meals while travelling.
- Travelling is defined as being away from your work home overnight.
- This card cannot be used for the purchase of alcohol.

- Note that there are some exceptions for certain events, these require prior approval from the ELT.
- Travel expenditures do not include the purchase of goods and services.
- Only employees that travel frequently will have the travel purchasing protocol activated on their card, which can be used for travel and incidental expenses while travelling. Please see the [Travel Policy](#) for detail about what and how the travel cards can be used and for other reimbursement options for employees that occasionally travel.
- For employees that travel occasionally and are not issued a credit card with travel capability, the following options for expense reimbursement exist:
  - Request a travel advance using a check request approved by supervisor and submitted to Accounts Payable.
  - For regular employees: complete a CONCUR reimbursement request within 30 days of returning from travel.
  - For temporary employees: complete an “Employee Expense Reimbursement Request” found on the finance website under “FORMS” and submit to Accounts Payable. Please be sure to have your supervisor approve the form before submitting it and include supporting documentation.
  - Travel reimbursement for non-employees should be agreed upon and included in the approved personal services agreement or other documentation authorizing and describing the service provided, prior to any travel expenses being incurred.
- Some departments may request higher limits to better accommodate their mission, that request should be made via email and include the approval of their area VP. An example would be Advertising.

### Meals & Entertainment type expenditures:

- For ordinary and necessary business to further the mission of the University, this card can be used for taking students, guests, donors and other employees to coffee or a meal, locally.
- This card can be used for purchasing department meals/refreshments for meetings/approved functions.
- The business purpose/meeting agenda should be included as back-up for any meals purchased for only two persons, or multiple people from the same department.
- This card cannot be used for the purchase of alcohol.
  - Note that there are some exceptions for certain events, these require prior approval from the ELT.
- This card cannot be used for the purchase of goods and services.
- Some departments may request higher limits to better accommodate their mission, that request should be made via email and include the approval of their area VP. An example would be Advertising.

Every effort has been made to include the necessary purchasing parameters to include all reasonable and necessary business expenses for your department based upon your department's prior purchasing history.

- For questions, your first course of action should be to call the number on the back of your card to determine the reason that a charge was not accepted.
  - You will need the phone number that you listed on your original credit card application.
  - There is no employee ID number associated with this card, in lieu of the last four digits of a social security card, the University used 0000.

**Specific Guidelines for Card Use:**

1. Procurement - Cards provided to one or more employees in each Department
  - a. For the purchase of goods and services needed in the ordinary course of University business and not requiring a purchase order (please see purchasing policy).
  - b. Designated person(s) in the department will be responsible for the physical card.
  - c. The Provost or VP and dean/department head is responsible for the use of the card.
    - i. Limit purchases to certain goods/services:
      1. Materials, supplies, small equipment/tools, subscriptions, for example.
        - a. Customize types of purchases by department as much as possible.
      2. May include some travel related expenses depending upon the department such as group travel arrangements or conference registration/travel.
      3. May include local meals for those departments that routinely meet with students/employees outside their department or donors as part of their GFU responsibilities or for department meals/functions.
      4. The card should not be used for the purchases of services provided by an individual or partnership such as legal fees, accounting fees or other individual contractor as this by-passes our system to comply with IRS reporting requirements.
    - ii. Most credit limits are \$5K and per transaction limits are \$2.5K.
    - iii. Only purchases less than \$5K to be made by credit card outside the purchase order system.
    - iv. Most purchases over \$5K still require a purchase order.

- v. For purchases over \$5K for which credit card payment is required by vendor, most departments should go through the Purchasing Department. (Matt, Sonia, or Kathi).
2. Travel – card purchasing protocol for those employees that travel frequently and that travel is a necessary component of their job duties.
  - a. These cards may be used for the purchase of ordinary and necessary business travel including transportation, lodging and meals while travelling.
  - b. Cards limited to travel related vendors: transportation, lodging, Meals while away from home. Incidental expenses will also be included that may be necessary while travelling (office supplies, grocery items, admission to events, etc.)
  - c. Cards limited to membership fees in organizations to which membership complies with the GFU mission. Conference fees would be included for those organizations where GFU is a member and supports and encourages conference attendance.
  - d. This card may be used for:
    - i. HUEG, NACUBO, WACUBO, current history will be used to configure cards.
    - ii. Most cards limited to \$5K.
    - iii. Most cards will have transactions limited to \$2.5K.
    - iv. Credit and per transaction limits can be adjusted for certain trips/time periods.
    - v. Airfare for those users requiring group travel that cannot be provided by Egencia.
    - vi. Local restaurants for meals/coffee for those individuals that routinely meet with students/employees/donors as part of their GFU responsibilities.
    - vii. Items that the card should not be used for would be: Alcohol included in a personal meal or when students are present (Donor entertainment by Advancement personnel may be excluded based upon our current board approved policy), personal entertainment versus a student group. (Admittance to an event for a group of students and

faculty would be appropriate, individual movie tickets to a show is not). Personal items.

3. Local Meals/Coffee/Entertainment card

- a. For ordinary and necessary business expenses to further the mission of the university, this card can be used for taking students, guests of the university, donors and other employees to coffee or a meal, locally.
  - i. For meals with only GFU employees, the business purpose should be documented with an email, agenda or notes from the meeting.
- b. This card can be used for purchasing department meals/refreshments for meetings/approved functions.
- c. This card cannot be used to purchase alcohol.
  - i. Note that there may be some exceptions for certain events, these would require prior approval from the ELT.
- d. This card cannot be used for the purchase of goods and services.