

University Corporate Credit Cards

Policy Statement

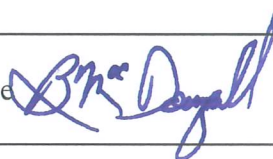
The University's corporate credit card provides an alternative purchasing and payment mechanism to improve payment performance and increased flexibility; to limit holding high petty cash amounts; and to enhance the delivery of goods and services. The card is for university business use only and not for personal use.

Reason for Policy/Purpose

The University has adopted the following procedures to ensure that its credit card system fulfills the stated objectives while allowing the University to remain diligent in ensuring all related expenditures are procured and paid in accordance with university policies and procedures.

Who Approved This Policy

Executive Vice President for Administration and Finance



Who Needs to Know This Policy

- 1- Credit card holders
- 2- Finance Managers
- 3- Deans and Department Heads

Web Address for this Policy

<https://www.aucegypt.edu/about/university-policies>

Contacts

Responsible University Official: Director, General Accounting & Treasury

Responsible University Office: Controller's Office

If you have any questions on the policy or procedure for University Corporate Credit Card policy, you may:

1. Call Mr. Samir Samy at 2303 or
2. Send an e-mail to samir_s@aucegypt.edu

Policy/Procedures

Issuing of Corporate Credit Cards

University corporate credit cards will only be issued in line with the policy statement and stated procedures and is for university business only and not for personal use.

Issuing Eligibility

- 1- The University may issue a corporate credit card to applicants who meet all the following criteria. The applicant must:
 - a. be an ongoing or fixed term employee of the American University in Cairo;
 - b. occupy a position that has a regular and demonstrated need to use a corporate credit card;
 - c. clearly identify in the application form why payment through credit card is more efficient than through existing financial systems and procurement services;
 - d. be willing to accept and abide by the conditions of use as stated in the university's application form and the credit card providers' application form and comply with relevant AUC policies and procedures;
 - e. understand that the approving officers may either accept or reject the issuance application where they are not satisfied that the requested credit card is justified.
- 2- The University will not issue a corporate credit card to adjunct, visiting or casual faculty or staff.

Credit and Purchase Limits

- 1- The credit limit on university corporate credit cards issued from Egyptian Banks is limited to a maximum of EGP 100,000.00 unless it can be justified that the anticipated monthly expenditure required by the position of the card holder needs to exceed this amount.
- 2- The maximum allowed purchase value per transaction is \$US 500. It is prohibited to breakdown a purchase value into multiple transactions of \$US 500 or less to bypass this restriction.
- 3- AMEX cards will be issued for New York Office staff only, and on an exceptional basis, for Cairo staff.

- 4- The Executive Vice President for Administration and Finance, the Associate Vice President for Finance & CFO, and the University Financial Controller may consider a request to exceed the predetermined credit limit based on demonstrated needs.
- 5- The approving officers may either reject or reduce the applicable credit limit if they are not satisfied that the requested credit limit is justified.

Approvals

In addition to the criteria set out above, for a card to be issued applications must be:

- 1- Supported by the approval of applicant's Line Manager who holds budgetary control over the cost center.
- 2- Approved by the Executive Vice President for Administration and Finance, the AVP for Finance & CFO, or the University Financial Controller or their delegates according to approved signatory authorization.

No person may approve the issuance of, or an increase to the limit of, their own cards. The issuance of university corporate credit cards is also subject to approval by the issuing bank.

Amendment and Retention of University Corporate Credit Card

Amending Existing Card Limit

- 1- First, an assessment of the card limit is undertaken to ascertain whether the existing limit meets the expenditure needs of the area.
- 2- Once the need for amendment has been established an application to increase/decrease should be submitted to the General Accounting and Treasury Section, Controller's Office.
- 3- Approval will also be subject to the same conditions set out in the Credit Limits section.

Retention of Credit Card on Transfer or to New Position

- 1- University corporate card holders are not automatically eligible to retain and use their corporate credit card when they take up duties in a new position, regardless of whether that position is within their current work department or not. Instead, eligibility to retain and use a corporate credit card in a new position must be assessed in accordance with the same conditions that apply to the issuing of new corporate credit cards. In other words, the need to retain the card must be established.
- 2- It is the responsibility of the Cardholder to notify the General Accounting and Treasury Section, Controller's Office as well as their new Line Manager that they hold a corporate

credit card. It is the responsibility of the Director, General Accounting and Treasury to undertake an assessment to establish whether retention of the card is appropriate.

- 3- If the cardholder is assessed to be eligible to retain and use her/his card in the new position a corporate credit card amendment notification must be completed and lodged in accordance with the procedures set out in the Issuing and Approval sections.
- 4- If the cardholder is assessed to be ineligible to retain or use their card in their new position, then the cardholder must comply with the requirements governing withdrawal of corporate credit cards.

Withdrawal of University Corporate Credit Cards

Withdrawal of University Corporate Credit Cards

A corporate credit card may be withdrawn for any of the following reasons:

- a. Misuse of card by Cardholder including unacceptable or inappropriate expenditure.
- b. Non-compliance with conditions governing the issuing of AUC corporate credit cards.
- c. Transfer to another position or unit within AUC that does not require the credit card purchasing facility.
- d. The position currently held within the unit no longer requires a credit card.

When a corporate credit card is withdrawn, the University requires the cardholder to:

- a. return the credit card to the General Accounting and Treasury Office; and
- b. undertake a reconciliation of their final statement and provide all original and approved relevant documentation, receipts, and invoices to the Controller's Office.

End of Service for Card holder

Once an end of employment date with the University is known, the direct manager is to notify the General Accounting and Treasury Section not less than 30 days prior to the staff member exiting the University.

The General Accounting and Treasury Section will then:

- 1- Inquire with the issuing bank the credit card balance and notify the direct manager of the card holder of the outstanding transactions to settle.
- 2- Stop the credit card on the notification date.

It is the cardholder's responsibility to submit the final statement reconciliation including all receipts and invoices for outstanding expenditures to her/his direct manger prior to their departure.

In all cases the card should be destroyed by cutting through the card number prior to returning the card to the General Accounting and Treasury Section by the direct manager.

The Employee Clearance Certificate will not be authorized by the General Accounting section, Controller's Office until all the above procedures are done.

Conditions of Use of University Corporate Credit Cards

Conditions of Use

- 1- Cards are only to be used by the person whose name appears on the credit card.
- 2- Cardholders are responsible for the safe custody of cards and the security of card information, and are trusted to use the university cards cautiously.
- 3- The issue of a corporate credit card gives the cardholder authority to incur expenditure on a corporate credit card up to the limit of the card. Even though the credit limit allows, each transaction should not exceed the department approved budget.
- 4- Notwithstanding the above, no expense is to be incurred on a credit card until the requirements of the relevant finance and procurement policies and procedures have been fulfilled and authorized approval given. This includes:
 - a. Credit card holders not authorizing payment for themselves. All cardholders must submit their accounts to their designated authorized approver for approval.
 - b. Obtaining the authorized approval for every card transaction prior to payment assuring that expenditures made are university business-related.

- c. Maintaining proper documentation authorized by the manager in charge of the cost center. The signature of the department manager implies that goods or services were received as invoiced.
 - d. Verifying the accuracy of their credit card expenditure as detailed on their bank statement;
 - e. Identify payments subject to Egyptian tax withholding.
 - f. Preparing fund reservations as required to ensure sufficient budget for the credit card expenditure.
 - g. Submitting settlement requests to the Controller's Office during the first three working days of each month.
- 5- The Controller's Office is responsible for:
 - a. Receiving and processing the settlement requests presented in compliance with University policies and procedures.
 - b. Ensuring expenditures are allowable, within the approved purchase limits, adequately documented, and properly presented on a valid form.
 - c. Ensuring the correct use of the AUC chart of accounts.
 - d. Maintaining a current schedule of the corporate credit cards issued and the authorized approvers for each card holder.
- 6- The corporate credit card facilitates the purchase of goods or services to support University departments, centers, or programs. This card should be used for low dollar departmental goods and services (\$US 500 or less) adhering to the Procurement policy.
- 7- Under no circumstances should a corporate credit card be used for private/personal expenditure.
- 8- University corporate credit cards may not be used to purchase the following goods and services:
 - a. hazardous materials
 - b. chemicals
 - c. capital equipment
 - d. computing equipment and mobile phones
 - e. stationery, inks and toners

- f. any items requiring approval from the Advancement and Communication Office (such as newspaper advertisements, official AUC stamps, etc.)
 - g. independent contractors
 - h. In general, purchases that require advanced documentation such as insurance, service level agreements, and pricing quotes
- 9- Based on the business need, this card may also be used for payment of group and event expenses.
- 10- Acceptance of a corporate credit card constitutes agreement by the Cardholder to abide by:
 - a. the conditions of use specified by the credit card provider on issue of the card and the University Corporate Credit Card Application;
 - b. all relevant University policies, procedures and guidelines;
 - c. any reasonable instructions issued by the University in respect to the use of the card
- 11- Any failure to comply with the conditions of use of the University will result in the withdrawal or cancelation of the credit card. Breach of policy may include:
 - a. Using the card for a private transaction such as a personal purchases or purchases for the sole benefit of the cardholder.
 - b. Assigning or transferring the card to another person.
 - c. Using the card after the cardholder's employment or relationship has been suspended.
 - d. Not complying with the processes specified in the disbursement policies.
 - e. Using the card for a transaction in excess of budget or for which there are insufficient funds.
 - f. Using the card for expenditures not previously approved where prior approval was required (for example, attending a conference).
- 12- Abuse of a corporate credit card may result in disciplinary action or legal proceedings being initiated by the University. Abuse of the university credit card may include:
 - a. Purchasing or recruiting improper or illegal material.
 - b. Using a University credit card when you are not the cardholder named
 - c. Using a university credit card in a way jeopardizing the university image.

13- Cardholders must return their University credit card temporarily for safekeeping when:

- a. Their relationship with the University is temporarily suspended for a period of 5 weeks or more.
- b. They take periods of extended leave from their University activities.

14- Cardholders must keep track and evidence on transactions where withholding taxes are deducted. Otherwise, cardholders will bear such tax deduction from his/her own fund or account.

Related Information

Financial Policies
Procurement Services Policy
Hospitality Policy
Travel Policy