



CREDIT CARD

OPERATING

MANUAL

SCHEDULE A – FN.7.1.4



CREDIT CARD PROGRAM OPERATING MANUAL

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2.0 GENERAL INFORMATION

The SAIT Credit Card Program offers employees an efficient and cost-effective method of paying for work-related materials, services, and travel. It reduces the need for out-of-pocket expenses and the use of personal funds.

- a) The SAIT credit card helps to eliminate the use of petty cash, cash advances, manual cheques, and the use of out-of-pocket expense claims. **The card is not to be used for personal purchases.**
- b) The program is not intended to avoid or bypass appropriate purchasing or payment procedures. The program is intended to complement SAIT’s existing processes.
- c) All purchase transactions made on the SAIT credit card must adhere and comply with all current SAIT policies and procedures.
- d) The cardholder is responsible for the security of their card(s) and the transactions made with the card(s). The card is issued in the cardholder’s name and cannot be used by anyone other than them, or shared generally by the department. A card intentionally misused, out of compliance with the guidelines established for this program will result in severe consequences, up to and including termination of employment.

3.0 CREDIT CARD PROGRAM CARD TYPES AND LIMITS

SAIT has one credit card that is programmed to meet employees differing business expense, travel, and purchasing requirements. Bank of Montreal (BMO) is the selected card provider and issuer of SAIT credit cards. The credit card program provides three main categories of spend, depending on the user’s primary business requirements. Unless otherwise specified and approved, the standard types of SAIT credit cards and their default limits defined below apply.

Category	Standard Purchasing (PCard)	Travel, Hosting, and Business Expense	Temporary Travel
Usage	<ul style="list-style-type: none"> High-volume small dollar purchasing of goods and services All goods and services for over \$4500 CAD must be purchased through a Banner requisition 	<ul style="list-style-type: none"> Includes travel, hosting, professional development and general business expenses Airline tickets must be booked through Central Travel Supplier and charged to the SAIT credit card 	<ul style="list-style-type: none"> Includes meals, transportation, accommodations and other eligible travel expenses related to the defined period of travel. Cards are suspended between periods of travel Airline tickets must be booked through Central Travel Supplier and charged to the SAIT credit card
Per Transaction Default Limit	\$4,500	N/A - cardholder must adhere to SAIT’s Approved Methods of Purchase	N/A - cardholder must adhere to SAIT’s Approved Methods of Purchase
Monthly Card Default Limit	\$10,000	Recommended Guidelines: \$5,000 – for regular activity \$10,000 – for high volume users and Senior Leaders \$25,000 – for executive management, and high-volume international travellers.	Recommended Guidelines: \$5000 – default Higher limits can be requested for travel of longer duration, or with higher expected costs.



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- a) Additional limits and card restrictions may apply depending on assessment of individual cardholder's business needs, payment method requirements, and approvals by cardholder's Manager or Academic Chair, Dean/Director/VP or Associate, CFO and VP Corporate Services, or President, and by Finance as required in FN.7.1.4.
- b) Plastic-less department card (ghost card) accounts may be opened for high volume or international travel use, depending on analysis of requirements, and the Manager Accounts Payable, AVP Finance, and school/department approvals.

3.1 Modification of Credit Card Limit or Restrictions

The intent of the credit card is to transact eligible purchases/expenses within the cardholder's established limits. All purchases exceeding established limits need to be processed through normal requisition process. If a circumstance exists whereby the normal requisition process cannot be followed, then the cardholder may request a limit increase as follows:

- a) Submit an approved Limit Increase Request form detailing the business case for the request, and required limit increase.
- b) The request will be assessed to determine the best purchasing option and if applicable, the request will be forwarded for final Finance review and approval, depending on the type of limit increase requested.
 - Temporary one-time increases to a cardholder's monthly limit that exceed the credit card program's established default limits will be made on a case-by-case basis, and require pre-approval from the cardholder's authorized approver. Temporary increases cannot exceed six months.
 - Permanent monthly limit and all per transaction limit increase requests must be approved by the cardholder's authorized approver and:
 - Up to and including \$50,000 – manager, supply management.
 - Over \$50,000 – associate vice president, finance.

4.0 CREDIT CARD SPEND ACTIVITY

4.1 Non-Allowable Purchases

The credit card will be used to pay for eligible, business related goods and services purchased directly from any vendor that accepts credit cards as a form of payment. The credit card is not intended to be used:

- a) To circumvent existing SAIT Policies and Procedures;
- b) For personal purchases;
- c) For cash advances;
- d) At any merchant, or for any product or service normally considered to be high risk or inappropriate use of company funds (see 4.4 Restrictions by Merchant);
- e) To purchase ineligible and/or restricted items as defined in FN.11.1.1 Expense Procedure;
- f) For any purchases exceeding the card's single or monthly purchase limit in value.

4.2 SAIT Board of Governors Policy and Procedure Compliance Requirement

It is the accountability of the cardholder and the cardholder's authorized approver to ensure that all expenditures are compliant with the following SAIT board policies and associated procedures and internal business rules – summarized, but not limited to:



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Procedure:	Examples of content and applicable business rules:
F.N.7.1.4 – Credit Card Procedure and (Schedule A Credit Card Operating Manual)	<ul style="list-style-type: none"> • In conjunction with expense procedure, defines eligible and ineligible use of card. • Defines roles & responsibilities of all program participants • No cash advances or ATM withdrawals • Purchases exceeded established card limits cannot be split into 2 or more smaller purchases to circumvent limits. • Credit card or numbers cannot be shared or lent • Links to and captures all credit card program details in Schedule A Credit Card Operating Manual
FN.11.1.1 – Expenses Procedure	<ul style="list-style-type: none"> • Defines eligible and ineligible expenses (including FN.11.1.1 Schedule A Expenses Not Eligible) • Ineligible expenses must be reimbursed to SAIT • SAIT criteria for supporting documentation (receipts, submission, and approvals), <ul style="list-style-type: none"> ○ Hard copy receipts are not required for credit card expenses. • Expense submissions and receipts should show “who, what, when, where and why” • Gifts to employees (I.e.: <u>no gift cards or gift certificates</u>, \$100 per year, incl. tax and delivery) • Travel expenses, i.e.; <ul style="list-style-type: none"> ○ Must use our central travel supplier for all flight purchases ○ Cannot use third party providers (I.e.: Expedia or Hotels.com) ○ Meal allowances, vehicle use, no alcohol, tips 15%, etc.
FN.11.1.3 – Hosting Expenses	<ul style="list-style-type: none"> • Addresses internal and external hosting, alcoholic beverages when hosting. • Senior most member in attendance to pay rule applies. • Names of attendees to be attached.
H.R 1.4.1 – Travel, Planning and Approval	<ul style="list-style-type: none"> • Defines traveler’s responsibilities and the required forms to be completed • AP60 pre-approval
FM.1.1.5 – Operations of SAIT Vehicles	<ul style="list-style-type: none"> • Defines vehicle insurance requirements • Links to travel procedure - no traffic and parking violations while travelling on SAIT business– must be paid personally by vehicle operator • Defines authorized driver requirements at SAIT
HR.2.2.2 – Professional Development Fund	<ul style="list-style-type: none"> • Defines eligible items • If Faculty, and using SAFA Faculty Professional Development expenses-account code 215012, employee must pay themselves and submits out of pocket expense claim form – no SAIT credit card
HR.2.2.3 – Professional Credential Enhancement Program	<ul style="list-style-type: none"> • No tuitions on credit card for approved PCE courses – employee pays themselves and submit HR31 claim for reimbursement.
ER.5.1 – Political Contributions	<ul style="list-style-type: none"> • No purchases or donation associated with a political organization
FN.12.1.1 – Signing Authority	<ul style="list-style-type: none"> • Leasing equipment or property must be done by PO and have appropriate approval – can’t be paid by credit card. • Cardholder’s authorized approvers and reviewers must have the appropriate level of signing authority limits to approve transactions and card limits.
HS.1.1.1 – Health, Safety & Environmental System & alberta.ca OHSC	<ul style="list-style-type: none"> • Unless WHMIS and TDG trained and certified, no hazardous materials/ dangerous goods/radioactive materials on credit card • No over the counter medications like Tylenol, Sudafed etc. for employees to use. If an employee is not well, they need to take their own medications or go to Health Services for assistance.
FN.14.1.1 – Acquisition of Capital Assets	<ul style="list-style-type: none"> • No capital assets on credit card, must be ordered through Banner requisition • Can be loosely defined as any item with a value over \$5,000 which SAIT owns and has a useful life of over 1 year: • Exceptions under \$5000 include: <ul style="list-style-type: none"> - all new or used computers/lap tops or computer infrastructure items like servers/switches - tablets capable of running Microsoft & Banner (I.e.: MS Surface Pro)

4.3 Funding Criteria

When using the SAIT credit card, the following funding criteria applies:

- a) SAIT funds cannot be used for donations to charities or political organizations, or to raise funds for them.
- b) If you are spending funds from an external granting agency, and the spend regulations differ from SAIT's, the agency's spending regulations will take precedence.
- c) And if spending restricted funds, you must have email approval from Alumni & Development to do so, and that email approval must be included as back-up with your credit card transaction submission.

4.4 Restrictions by Merchant

Transactions will be declined if attempted by a supplier assigned to the following merchant categories, and other potential high-risk merchants:

FINANCIAL INST/MANUAL CASH/SECURITY DEALERS/INSURANCE	JEWELRY STORES
WIRE TRANSFER – MONEY ORDER	DATING & ESCORT SERVICES
FURRIERS AND FUR SHOPS	MASSAGE PARLORS
ANTIQUA SHOP/REPRODUCTIONS	BETTING/TRACK/CASINO/LOTTO
PAWN SHOPS	LIQUOR STORES
TIME SHARES	OTHER HIGH-RISK MERCHANTS/CATEGORIES

4.5 Vendor Contracts and Alliances

Cardholders are expected to use SAIT's contracted vendors for the purchase of goods and services within the scope of established contracts, and to comply with stated forms of payment and internal business rules and requirements as posted to the Contract Vendors and Approved Methods of Purchase pages on SAITNOW.

4.6 Purchases Outside Established Limits

The credit card **cannot be used** to circumvent existing card limits:

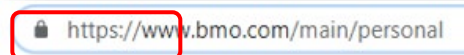
Split Transactions: Transactions **cannot** be split into more than one transaction to circumvent assigned limits.

- Ex: \$5,800 purchase **cannot** split into 2 X \$2900 transactions and processed on single card.
- Ex: \$5,800 purchase **cannot** be split into smaller amounts and paid by multiple credit cards.

NOTE: Temporary Travel, and Travel, Hosting, Business Expense cardholders without an assigned per transaction limit on their card must still adhere to SAIT's Approved Methods of Purchase as defined by the Supply Management section of Finance. Any goods or services purchases for over \$4,500 CAD must be transacted via a Banner requisition.

4.7 Unsecure Card Number Transmissions

The card number cannot be emailed and can only be used online through secured, PCI compliant sites. Check for "https" in prefix of web address and check for lock symbol in status bar of browser:



5.0 CREDIT CARD ISSUANCE AND CANCELLATION

5.1 Requests for a SAIT Credit Card

To be eligible for a SAIT credit card, you must be an active SAIT employee paid by SAIT Payroll. Independent contractors and staff paid by employment agencies are not eligible for a SAIT credit card. The process to request a new SAIT credit card is as follows:

Eligible Employee:

- a) Completes the mandatory Cardholder Training online **before** applying for a SAIT Credit Card, including online submission of the Cardholder Acknowledgement;
 - Any exceptions to this process must be provided by the employee's Manager or Academic Chair, Department Dean/Director, Associate Dean/Director, or above, and submitted with the Credit Card Application form. The training will be assigned or provided to the employee by the Program Administrator once the application has been processed.
- b) Completes and signs the Credit Card Application form on SAITNOW, and forwards the application to their Manager or Academic Chair, Department Dean/Director, Associate Dean/Director, or above for approval;
- c) Approved application forms are submitted to the Program Administrator at credit.card@sait.ca for processing.

Credit Card Program Administrator:

- d) Reviews the application received to ensure appropriate information and signatures are provided, and confirms the required training has been completed;
- e) Orders the new card and signs application form as evidence of review, compliance, and completeness;
- f) Secondary review of all new applications processed is performed for accuracy and validity the following day by an alternate Program Administrator.

5.2 Issuance of Card:

Credit Card Program Administrator:

- a) Provides the cardholder with a copy of their completed application, a copy of the cardholder acknowledgement, and confirms to the cardholder that their card has been ordered;
- b) Instructs cardholder to activate card and set PIN when received;
- c) Provides the cardholder with the support and contact information of BMO, the location of all related training material, Policy & Procedures, the Credit Card Operating Manual and other available and/or applicable resources including SAITNOW Credit Card page, Business Travel page, etc.;

Bank of Montreal (BMO):

- d) Emails the employee the user log-in information for the online reconciliation tool;
- e) Issues card within ten (10) business days from date of receipt of the application;
- f) Card is sent directly to the cardholder's home address as indicated on the application, except in extenuating circumstance.

Eligible Employee:

- g) Follows the instructions to activate the card upon receipt. Notifies BMO and the Program Administrator if the card is not received after ten business days.



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5.3 Cancellation of Credit Card

- a) The cardholder must give advance notice to the Program Administrator if their card is no longer required, using the Account Maintenance Request form or in writing by email. The cardholder, upon notification of cancellation, should then destroy and securely dispose of the card.
- b) The Program Administrator is responsible for cancelling the card with BMO. Potential reasons for cancellation are:
 - Upon termination of employment;
 - The cardholder changes departments, and no longer requires a card in their new role;
 - Specifically requested to return the card by the Program Administrator or the school/department;
 - Change in job duties (purchasing goods/services/travel no longer required in new role);
 - If the cardholder is taking a “leave of absence” for a period longer than 30 days, the card is to be either suspended or cancelled for the duration of absence.
- c) **Employee Clearances:** The Program Administrator is notified by Employee Services of all employees terminating their employment at SAIT. Upon receipt of Employee Clearance Notifications, the Program Administrator performs an established employee clearance process that confirms and ensures;
 - SAIT credit cards, if issued, are cancelled and destroyed prior to employees last day at SAIT;
 - All outstanding transactions are completed and approved prior to employees last day;
 - Access to the online system for submitting credit card expenses, and online business travel booking tool, is removed if applicable;
 - Employee has no future flights booked for business travel, or outstanding flight credits.
- d) **Expiring Employment Contracts:** Contract expiry dates are logged for all contract employees issued a SAIT credit card. On a monthly basis, the Program Administrator prepares for all employee contracts logged to expire by confirming if contract is being extended. If not, the Program Administrator initiates and completes the employee clearance process to terminate the card. If extended, the Program Administrator completes duly established process to confirm contract extension and acquire approvals to extend card accordingly.
- e) **Employees changing Departments/Schools:** When notified of an employee transfer, the Program Administrator checks if the transferring employee has a SAIT credit card. If not, no action is required. If the transferring employee has a SAIT credit card, the Program Administrator follows established process to identify employee’s card requirements in new role, and to acquire approvals to transfer card accordingly.

5.4 Lost, Stolen, or Compromised Credit Cards

Each cardholder is responsible for immediately notifying BMO’s 24-hour phone line if the card is lost or stolen.

To report lost or stolen card: 1-855-825-9232:

- The cardholder must also notify the Program Administrator;
- The lost or stolen card will be cancelled and a replacement card will be issued;
- If the lost or stolen card should eventually be recovered or found, it must be immediately destroyed and disposed of.

5.6 Card Renewal

Each credit card is issued for a period of four (4) years. Cards will be automatically renewed unless the Program Administrator advises BMO otherwise. Cardholders will be required to attend mandatory credit card refresher training, and to re-submit a cardholder acknowledgement at the time of renewal, and prior to the issue of the new card.



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6.0 CARD PROGRAM CONTROL FEATURES

6.1 SAIT Policy and Procedure Compliance

The following outlines the procedures that cardholders must follow when using the credit card for the purchase of operational supplies/services and travel/meal expenses.

- The cardholder's purchases and expenses must adhere to and comply with SAIT Policies and Procedures;
- All submitted card transactions are to be approved by the cardholder's Authorized Approver or Reviewer/Supervisor with appropriate level of "One-up" signing authority;
- All SAIT credit card transactions are to be submitted with business reasons and detailed receipts attached, as defined in SAIT Finance FN.11.1 Expense and FN.7.1 Procurement procedures.

6.2 Refunds

The cardholder will not accept cash or a cheque from a vendor who is making a refund pertaining to a transaction previously charged to the SAIT credit card. The vendor in all cases must apply the credit directly back onto the SAIT credit card. Cardholders are responsible for ensuring all refunds are processed back to the credit card.

6.3 Cardholder Acknowledgement

The cardholder is made aware of their responsibilities, and confirms their understanding and acknowledgment of their obligations as outlined in the cardholder acknowledgement before receiving the credit card. The Program Administrator will make available to the cardholder a copy of the cardholder acknowledgement, as well as this manual.

6.4 Liability - SAIT

The liability for authorized use of the credit card rests with SAIT, and not the individual cardholder. SAIT is not liable for any unauthorized use of the credit card, which occurs after notification of loss, theft or cancellation has been received by the card Issuer.

6.5 Liability - Cardholders

Cardholders will be held liable for any intentional misuse of the credit card, or willful disregard of policy or procedures. Intentional misuse of the credit card may result in disciplinary action.

6.6 Foreign Currency

Cardholders are authorized to make purchases in foreign currency. All cardholders ordering goods on behalf of SAIT from outside Canada will arrange customs broker processing for their purchases. To ensure shipments are not returned at the border, cardholders are required to complete the custom broker processes at time of purchase. Brokerage Clearance Authorization forms are located on SAITNOW.

6.7 Year End

The cardholder may be required to follow some modified procedures to facilitate financial year-end processes. Instructions detailing revised procedures will be emailed to them in advance by the Program Administrator or associated Finance department section.



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6.8 Audit and Record Retention

Records of purchases made with the credit card (transaction data with supporting documentation) must be retained for audit purposes and to facilitate reconciliation and input into the Banner system. All transactions are subject to both internal and external audit. Retention period for these records is six (6) years plus the current year. All records will be retained by the Finance Department.

6.9 Management Reports

The Program Administrator will produce all scheduled and requested management reports, and monitor and report on card activity and program performance as defined in SAIT's Credit Card Reporting Standard Operating Process (SOP).

7.0 PROGRAM ROLES AND RESPONSIBILITIES

7.1 Cardholder is responsible for:

- a) Adhering to all responsibilities, restrictions, Policies and Procedures, and internal business rules established for the Credit Card Program;
- b) Treating the SAIT credit card as their own; retaining it, and its number, safe and secure within their possession;
- c) Ensuring card numbers are not emailed, and transmitted only through secure online sites;
- d) Identifying and resolving any discrepancies within 90 days of transaction date;
- e) Ensuring all refunds are credited back to the SAIT credit card, and following up on any that are not;
- f) Immediately notifying BMO and the Program Administrator of any loss or theft of the card;
- g) Informing the Program Administrator of card cancellation, changes in department, and/or area of responsibility;
- h) Requesting cancellation of their credit card and completing final statement upon terminating their employment with SAIT;
- i) Obtaining supporting documentation that meets SAIT criteria (i.e. credit card receipts, credit notes, etc.) related to all purchases made with the credit card, for reconciliation, account verification and audit purposes;
- j) Ensuring all reimbursements to SAIT for any ineligible, unauthorized or personal amounts are identified, disclosed, and submitted to Finance as per established processes documented on the SAITNOW Business Travel and Credit Card pages;
- k) Submitting all transactions with appropriate back-up documents for approval within the deadlines communicated. Any transactions not submitted, and fully approved, by the 27th of the billing cycle month will be considered in overdue status.
- l) Completing custom broker processes for all good shipped from outside Canada as detailed in Section 6.6 Foreign Currency;
- m) Performing all card transaction reconciliation responsibilities detailed in Section 9, Purchase and Reconciliation Procedures, or ensuring this is delegated to a Statement Administrator or Card Delegate;
- n) Acknowledgement of responsibilities and obligations by reviewing and submitting the cardholder acknowledgement.

7.2 Statement Administrator is responsible for:

Reconciling all credit card transactions in accordance with the procedures outlined in Section 9.0 Purchase and Reconciliation Procedures, including:

- a) Updating FOAPAL allocation codes in BMO's reconciliation system;
- b) Ensuring all detailed receipts that meet SAIT's criteria are uploaded for every transaction;



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- c) Ensuring a clear statement of business purpose, along with the names of all gift or prize recipients and hosted event attendees is provided with the receipt and attached with the credit card transaction;
- d) Ensuring proper allocation of all FOAPAL codes;
- e) Submitting all transactions for the billing period to the Authorized Approver or Reviewer/Supervisor for authorization within the monthly billing cycle close.

7.3 Reviewer/Supervisor is responsible for:

- a) Monitoring and controlling the use of the credit card, to ensure that the spend activity conforms to SAIT's Policies and Procedures and to this manual;
- b) Being knowledgeable about the types of products, services and expenses required by his/her school/department and authorizing reasonable, appropriate and allowable purchases within assigned signing authority limits;
- c) Reviewing and approving, on a timely basis, all receipts and transactions submitted in BMO's online reconciliation tool;
- d) Ensuring proper allocation of all FOAPAL codes, and following up on any required FOAPAL transfer requests for transactions reallocated and approved to incorrect FOAPALS;
- e) Having a financial responsibility and the authority to question purchases/transactions;
- f) Notifying the Program Administrator of any employee going on leave from duties for more than 30 days to ensure suspension or cancellation of credit card during absence;
- g) Reviewing credit card policy/procedure violations with the cardholder.

7.4 Authorized Approver is responsible for:

- a) Assessing business need and approving new card issuances, any permanent or temporary restriction and limit change requests submitted for existing credit card accounts;
- b) Fulfilling all above responsibilities of the reviewer/supervisor role, if the authorized approver is the cardholders one-up manager.

7.5 Credit Card Program Administrator is responsible for:

- a) The overall co-ordination and monitoring of the credit card program, including this Operating Manual, and the relationship with BMO;
- b) Ensuring that pertinent credit card data is reported to SAIT's Finance Department, Corporate Reporting section by BMO, and aiding in the resolution of credit card payment matters;
- c) Monitoring the use of credit cards with respect to conformance to this procedural manual, and assisting cardholder's authorized approvers or reviewer/supervisors to address non-conforming card usage;
- d) Processing issuance or cancellation of the credit card with BMO;
- e) Ensuring that each cardholder is informed of their responsibilities regarding the use of the SAIT credit card;
- f) Processing changes to card limits and/or restrictions as per established approval procedures;
- g) Processing forms with respect to changes of cardholder business address, department, or area of responsibility, as requested by the authorized approvers;
- h) Compiling and reporting pertinent credit card data, spend, compliance information to the Manager, Supply Management or other department head if requested;
- i) Assisting cardholders to resolve disputed charges and other matters;
- j) Maintaining a master list of all cardholders;
- k) Maintaining a log of all temporary travel cards suspension dates;
- l) Performing spot-check audits on daily transactions for unusual spend activity.



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8.0 CARD PROGRAM VIOLATIONS

8.1 Personal Purchases

Violation: Making ANY personal purchase with the credit card is against SAIT's policy; using SAIT funds to purchase items for personal use is strictly prohibited.

SAIT must be reimbursed immediately for the amount of the personal purchase and/or ineligible amounts. The cardholder is required to contact the Program Administrator and their reviewer/supervisor immediately to report the violation.

The cardholder must follow the below process to reimburse SAIT:

- Complete a FOAPAL Deposit form located on SAITNOW;
- The Cardholder is required to provide and record a detailed explanation of the violation on both the credit card transaction in BMO's online system, and on the FOAPAL Deposit form;
- Reimbursement should be made electronically via the cardholder's personal online banking system;
 - Add "SAIT" or "Southern Alberta Institute of Technology" as a payee on your bill payment profile (name will vary from bank to bank);
 - Select Tuition/Bill Payment;
 - Enter your account information. Your account number is your nine-digit Employee ID number including all zeros (the number will typically begin with three zeros). Example: "000123456";
 - Send an email to invoice.requests@sait.ca and cc/ credit.card@sait.ca with the payment confirmation, along with the completed FOAPAL Deposit form;
 - A copy of the FOAPAL Deposit form and payment receipt must be uploaded with the credit card transaction as evidence of reimbursement;

If the cardholder is not able to reimburse SAIT using via online banking they should notify the Program Administrator to request alternate payment arrangements be made through the Finance, Accounts Receivable section.

The Program Administrator maintains a record of reimbursements submitted as evidence of reimbursement for audit and transparency purposes.

8.2 Split Purchases

Violation: Split purchases are defined as single purchases costing more than the cardholders' assigned per transaction and/or monthly credit limit which are:

- Split between multiple transactions to circumvent the assigned maximum limit;
- Split between two cardholder's credit cards to circumvent the assigned maximum limit.

8.3 Inappropriate Purchases

Violation: Purchase of any merchant, product, or service normally considered to be inappropriate for use of company funds.

8.4 Failure to Provide Required Documentation

Violation: Lack of required supporting documentation is a cardholder violation. Transactions where the supplier does not provide original and/or copy of the documentation are not considered a violation, however, this must be substantiated by the employee contacting the supplier for copy of receipt. If not available, cardholder must



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complete a Missing Receipt form with the purchase details describing “who, what, where, when and why”. The form must be attached to and submitted with the card transaction in lieu of original.

8.5 Failure to Reconcile Card Transactions

Violation: Failure to reconcile and submit for approval all transactions incurred within a billing cycle, with all supporting documentation attached, within the required deadlines. Credit Card transactions should be reconciled and submitted in Spend Dynamics as the charges post throughout the monthly billing cycle. Any transactions not submitted, and fully approved, by the 27th of the billing cycle month will be considered in overdue status. (Refer to Section 9.0 Purchase and Reconciliation Procedures).

8.6 Consequences of Misuse

Lack of compliance with established procedures may be considered intentional misuse of the card. Continued non-compliance is considered serious and the following steps will be taken if willful disregard of the procedure is evident.

- 1st violation: written warning, notification to the individual’s manager, and filing of the infraction on the card profile;
- 2nd violation: three-month card suspension, and completion of a refresher training session;
- Subsequent violation within six months of a card suspension: cancellation of the card.

NOTE: Serious or repeated violations may result in termination of employment, as per procedure HR.4.4.1 Corrective Action Procedures.

9.0 PURCHASES AND RECONCILIATION PROCEDURES

9.1 Methods of Purchasing Goods

A supplier may request the cardholder to submit their order by internet, fax or email. This is acceptable; however, cardholders are prohibited from sending secure information, such as the card number, expiry, security code or a copy of the front and back of the card by either fax or email. Permitted methods are by telephone, secure website or in person. Due to Payment Card Industry (PCI) Standards, SAIT must comply with secure and safekeeping of credit card information. Only conduct business with suppliers who meet PCI standards.

Telephone or Facsimile orders:

- a) Inform the supplier that you are ordering on your SAIT credit card;
- b) Give your name as it appears on the card, your credit card number and expiry date;
- c) Advise supplier to send you a copy of the invoice;
- d) Give accurate delivery information, including:
 - Contact name
 - Department name
 - SAIT campus address or alternate delivery address
 - Phone number
- e) Request that “Credit Card Purchase” be marked on the outside of the package along with cardholder’s name and department;
- f) Request an itemized packing slip or a priced itemized sales slip be enclosed in the package;
- g) Request that “Credit Card Purchase” be recorded on the invoice/receipt
- h) Advise supplier on whether goods are to be picked up or delivered



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Delivery of Goods:

- a) The delivery must be addressed to SAIT's mailing address 1301-16 Ave NW, Calgary, AB T2M 0L4, if being received at main campus;
- b) For all deliveries, the cardholder's name, department and the phrase "*Credit Card Purchase*" should be clearly marked on the outside of the package;
- c) Either an itemized packing slip or sales invoice must be enclosed in the package;
- d) If the sales invoice is not included in the package (i.e.: the invoice is sent out separately), the invoice must clearly indicate the cardholder's name, department and that the charges were **paid in full by credit card**:

SAIT Main Campus
1301 - 16 Avenue NW
Calgary, AB T2M 0L4 Canada
Attn: (Cardholders Name, Department)

Internet transactions:

Cardholders may purchase items online; however, they must protect their card and personal information. When making online purchases, the cardholder will:

- a) Use good judgement regarding security;
- b) Not use the SAIT credit card on a site that they would not trust to use their personal card;
- c) Choose suppliers that have a secure site. This can be identified by the closed lock symbol, usually shown at the lower right-hand portion of the screen or a site address that starts with https://;
- d) Take a screen shot / print screen of the information or use the confirmation email as the invoice/receipt. This will be submitted later as part of the reconciliation/expense documentation;
- e) Set up a separate business account from any personal account and use a SAIT staff email and mailing address when paying through this method.

In-person transactions:

Electronic verification systems allow suppliers to verify that the card is valid, and the card has sufficient credit to cover the purchase, allowing the verification to happen at the time of purchase. The verification is performed using a credit card payment terminal or point-of-sale (POS) system with a communications link to the supplier's acquiring bank. Data from the card is obtained from a magnetic stripe or chip on the card; the latter system is called Chip and PIN. Protect your credit card like you protect your cash. Never leave it unattended.

- a) Select merchandise and present it with your credit card to Cashier;
- b) Cashier total the sales and obtains authorization from credit card company;
- c) Cardholder enters secure PIN number or signs a detailed cash register receipt and receives a copy at the time of purchase;
- d) Supplier GST number MUST be on cash register receipt.

Pre-Authorized Recurring Payments

Pre-Authorized Recurring Payments (PRPs) on corporate cards have grown in popularity due to their convenience and ease of use. Examples of services that can make use of PRPs include journal and magazine subscriptions, monthly water service, wireless communication provider payments for cell phone, and professional membership or organization dues. However, before a cardholder decides to take advantage of this useful tool on their card, it is important to be aware of the following:



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- a) If a cardholder agrees to PRPs in the terms and conditions for an online purchase, or completes any PRP forms supplied by the merchant, they have authorized the supplier to complete specified charges for the term of the contract.
- b) If a card is cancelled prior to the end of a contract term, any existing PRPs may continue to flow to that card account number.
- c) To stop existing PRPs from appearing on a card, the cardholder must contact the supplier and revoke their authorization. The supplier should stop the charges immediately. If they do not, any charges incurred after the authorization is revoked can be disputed.
- d) The cardholder must obtain proof of the service cancellation from the supplier, to support any possible disputes for charges incurred after the cancellation.
- e) If the cardholder has pre-authorized payments, they or their department must contact the supplier and arrange to pay another way or cancel the service. If this is not done, the supplier can legally continue to bill the card, and the department will be responsible for the charges.

Billing Address

Suppliers taking orders by phone or on their secure website may require the card billing address. **For SAIT credit cards, the billing address should be the cardholder home address that is listed on the account**, however on occasion a vendor's website will require entry of the managing account billing address – which is:

1301 – 16 Ave NW
Calgary AB, T2M 0L4

The telephone number is the one provided by the cardholder on the Card Application form, unless since updated on the account.

9.2 Card Declined by Supplier

If a Supplier rejects the credit card, it may be for one of the following reasons:

- The transaction is over the assigned per transaction limit;
- Credit card has reached its monthly credit limit;
- The transaction meets the card provider's suspicious card activity parameters; (card cautioned or fraud suspected)
- The supplier has been purposely excluded from the credit card program and has had their merchant category blocked (see Restrictions by Merchant table on page 5).
- Invalid expiry date has been used
- Card has been suspended or terminated
- Other

9.3 Receipt and Return of Goods

- a) Cardholder is responsible for ensuring the receipt of goods and services and following up with the supplier to resolve any delivery problems, discrepancies and/or claims for damaged goods and for giving the supplier your credit card number for processing;
- b) Cardholder is responsible for coordinating returns directly with the supplier, as well as securing the appropriate credit, to be applied to the credit card only;
- c) The supplier may require the use of a Returned Material Authorization Number (RMA#.). This number should be clearly marked on the package label when returning goods;



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- d) At the time of return, request that the supplier issue and send a credit card transaction slip to verify that the credit was given.

9.4 Supporting Documentation

Every transaction made using the credit card must be supported by valid and complete documentation. Not providing supporting documentation for all transactions is a cardholder violation.

Acceptable supporting documentation MUST include the following information:

- Supplier identification (merchant name);
- Date purchase was made on receipt and credit card transaction slip;
- Itemized description and quantity of each item purchased;
- Priced invoice showing per item cost and payment method, i.e.: credit card payment;
- Statement of clear business purpose, list of recipient names for all allowable gift/prize purchases, list of attendees at all working sessions/hosted events.

Unacceptable receipt documentation:

- Packing slips that do not include full amount charged to credit card
- Receipt from visa machine terminal as it does not include description of items purchased
- Order confirmations (including screenshots)
- Quotations

NOTE: If original documentation is not obtained, the cardholder must request a copy from the supplier. If not available, the cardholder must complete a Missing Receipt form with purchase details describing “who, what, where, when and why.” The form must be attached to and submitted with the transaction in lieu of original.

9.5 Reconciliation and Payment of Monthly Statement

Timely reconciliation and approval of incurred charges is required to ensure that transactions are reflected in a school or department’s budget as soon as possible. Sait schools and departments are ultimately responsible for ensuring that all submissions are allocated correctly. Each monthly billing cycle takes place from the 21st of the month to the 20th of the following month (unless the billing cycle close falls on a weekend or holiday, in which case the cycle will close on the preceding business day) and is listed on the eStatement provided by BMO. All approved card transactions are automatically uploaded into Banner the following business day.

Credit Card transactions should be reconciled and submitted in Spend Dynamics as the charges post throughout the monthly billing cycle. Any transactions not submitted, and fully approved, by the 27th of the billing cycle month will be considered in overdue status.

NOTE: Reconciliation of all charges is completed and submitted electronically; no hard copies are required.

Detailed quick reference guides are available on PeopleNOW and on the SaitNOW Credit Card training page for both cardholders/delegates and Statement Administrators. The basic steps for reconciling transactions for each card is as follows:

- a) Reconcile all credit card transactions/statement in BMO Spend Dynamics;
- b) Identify and resolve any discrepancies; contact the supplier to rectify the billing problem; Notify the Program Administrator if assistance required;
- c) Update/verify the default FOAPAL assigned to each transaction;
- d) Enter supporting business reason or comments for every transaction;



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- e) Document names of all prize/gift recipients and/or attendees at any internal or external hosting events;
- f) Identify and attach evidence of reimbursement to SAIT for any ineligible, unauthorized, or personal purchases;
- g) Submit all transactions for review and approval by the cardholder's designated approver in Spend Dynamics;
- h) Cardholder will be automatically notified of outstanding transactions via BMO Spend Dynamics, and subsequently contacted by the Program Administrator if transactions continue to be outstanding or overdue on the cardholders account after the monthly billing cycle deadlines.
- i) It is the cardholder's primary responsibility to ensure that their transactions are submitted in a timely manner and with all required documentation. If the cardholder has assigned a card delegate or Statement Administrator supporting the reconciliation process, the accountability for card expense submissions still sits with the cardholder.

Credit card payments are processed as follows:

- BMO will provide SAIT one monthly master bill that SAIT pays according to the payment terms;
- The billing and statement cut off cycle is typically:
 - **20th of the month (or midnight of the previous business day if the 20th is on a weekend or holiday)**

9.6 Disputed Charges

In the event of a discrepancy on the statement, the cardholder shall determine whether it has been a supplier error (i.e. wrong amount posted, incorrect account number, multiple postings of the same item, etc.). The cardholder has **90** days from transaction date to dispute an item.

The cardholder's responsibilities are to:

- a) Contact the supplier immediately to rectify the billing problem;
- b) Ensure that an adjustment for the transaction appears on the next monthly spreadsheet/statement;
- c) Request that the supplier issue and send a credit card receipt/transaction slip to verify that credit was given;
- d) Notify BMO immediately about unresolved/disputed items, as well as inform the Program Administrator. Disputed items reported by cardholders will be credited on the individual statement the following month or so (provided they are legitimate). The amount indicated on the statement is the amount, which will be paid to BMO;
- e) Provide information and assistance to BMO to settle the disputed items, as required;
- f) Resolve questionable charges, such as late delivery, defective goods, wrong price, quantity difference, returned goods, etc., directly with the supplier. Such matters must be drawn to the supplier's attention immediately to minimize the delay in obtaining a credit to the credit card account.
- g) Ensure that merchandise returned or other adjustments to accounts and credit notes are issued by vendors. Such credits must be issued against the same credit card that the original transaction was charged to.

NOTE: The cardholder has 90 days from the date the transaction was processed to the credit card account to dispute an item through BMO. The cardholder must contact BMO Customer Service to initiate the dispute process at **1-855-825-9232** (the number is displayed on the back of the credit card).