

Kids Central, Inc. System of Care Policy & Procedure

Series: Finance, Accounting and Contracts

Policy Name: Credit Cards

Policy Number: 910

Origination Date: 09/15/06

Revision Date:

Authority:

Policy:

It is the Policy of Kids Central, Inc. that credit cards are issued to specific programs based upon need and usage to meet clinical and administrative needs. To be eligible for a credit card, a program must meet one or more of the following criteria:

1. Purchase significant volumes of minor goods and services for use by their program.
2. Incur regular frequent expenses of a kind appropriately paid by credit card.

Procedure:

A. Use of Corporate Credits Cards.

1. Credit Cards cannot be used:
 - a. To obtain cash advances.
 - b. For expenses other than those incurred for the program and its operations.
2. Credit Cards are to be used only for official agency business, not personal expenses. Purchasing Cards are supplied for genuine business expenses only. Charging personal transactions to Corporate Cards is not acceptable under any circumstance. Credit card transactions will be scrutinized to ensure compliance with this policy.
3. Breaching of this policy can lead to disciplinary action against the team member up to an including termination. In all cases misuse, the agency reserves the right to recover any monies from the team member concern.
4. Credit cards may not be used to obtain cash advances from banks, building societies, credit unions nor automatic teller machines. This prohibition similarly extends to cash equivalents such as bank checks, traveler's checks and electronic cash transfers.

Kids Central, Inc. System of Care Policy & Procedure

5. Transactional evidence must be retained to support all charges. An acceptable receipt for reimbursements of claimable business expenses on the Credit Card is an original receipt.
6. Card purchases without receipts are ultimately the responsibility of the user. A failure to provide receipts or credible explanation for the unsupported expenditure will result in disciplinary action.
7. Reimbursement for return of goods and/or services must be credited directly to the specific card account.
8. Lost or stolen Cards must be reported to the Accounting Department and cancelled immediately.
9. Employees using a Corporate Credit Card are in a position of trust in regard to used of public funds. Improper or unauthorized use of the Card may result in the Cardholder being held liable for expenditures, legal/disciplinary action being brought against the team member, and/or termination from the agency.
10. The Chief Financial Officer or their designee is required to verify all transactions each month and ensure the transactions are business related and the team member has supplied supporting documentation. Any unusual transactions must be followed up with the team member immediately. Suspected breaches of policy **must** be referred to the Chief Financial Officer without exception.
11. Random audits of cardholder purchases will occur on regular bases. In addition, Internal Audit and external auditors will carry out audits from time to time.
12. When not in use, credit cards should be stored in a secure location.

B. Applying for a Credit Card

1. Programs who meet the eligibility requirements of the Policy must make a formal request through the Executive Committee.
2. All Credit Cards requests will be reviewed and voted on prior to the issuance of the card.

C. Renewal of Cards

1. Request for individual lost or damaged cards are requested via memo to Accounting Department.
2. Cards that are due to expire will receive a replacement in advance. Old cards must be destroyed and the replacement card signed by the Cardholder.

Kids Central, Inc. System of Care Policy & Procedure

3. Some expenses with large numbers of small transactions such as Live Scan, over night deliveries, or conference calls may require payment by credit card. In these cases a log will be kept of usage and matched to the credit card statement.

D. Reconciliation Procedures

1. A sales voucher must be retained for each purchased to facilitate matching of transactions received from the bank. The manager of the program is to ensure that the goods purchased are adequately described on the sales voucher. The description "GOODS" or "SERVICES" is not acceptable. Other documentation that will require retention for matching against the bank transaction includes invoices issued by the supplier or goods received notes for equipment purchases.
2. Receipts for all Credit Card transactions will be forwarded to the Finance Department.

E. Internal Monitoring

1. Transactions will be monitored monthly for a random group of programs.

F. Separation of Employment

1. It is the responsibility of the departing team member to ensure that all receipts pertaining to credit card purchase are submitted to the Finance Department prior to departure.
2. Any privately held card must be surrendered upon separation of employment to the Finance Department.

Approved By:

Cynthia A. Schuler, Chief Executive Officer

Date