



Credit Card Acceptable Use Policy & Procedures

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CREDIT CARD ACCEPTABLE USE POLICY AND PROCEDURES

1. Purpose

To provide a guide to all employees of Ore Valley Housing Association (OVHA) on the policies and procedures in place for the appropriate use of the corporate credit card, including the supporting documentation and authorisation required.

All employees are responsible for complying with the policy and procedures and must ensure the corporate credit card is used appropriately and the Association finances are safeguarded.

2. Scope

This policy and the associated procedures relate to purchases made on (OVHA) corporate credit card and should be used in conjunction with the Association's other relevant policies and procedures including the:

- Financial Regulations
- Code of Conduct for Employees
- Procurement Procedure Rules
- Delegated Authority Policy

By complying with these regulations, employees responsible for purchasing items on the credit card will gain assurance that they have followed the appropriate financial procedures.

3. Overview

OVHA will hold one credit card account with an appropriate credit limit to meet business needs, as agreed by the CEO. The Credit card will be held by the CEO and may be used by designated members of staff only when specific business need which cannot be accommodated through the Association's normal purchasing procedures.

As per the card issuers application form (terms and conditions) the business contact for the account will be the CEO, with the account administrators being the Finance Team.

The Corporate credit cards must only be used in circumstances where normal ordering procedures are:

- Not available
- Not suitable

The corporate credit card is only available for use by the named cardholder or an authorised employee.

Only authorised employees should make purchases using the credit card or have access to the card details or PIN number. Employees should raise

concerns with the Finance Team or Senior Management Team immediately if these conditions have been breached.

Authorised employees are responsible for ensuring adherence to all processes and controls set out in this policy and procedures document. Failure to comply with this policy may result in card use being suspended or withdrawn.

Misuse of the corporate credit card may constitute gross misconduct. OVHA reserves the right to require repayment from the relevant employee of any sums relating to their misuse of the card and to invoke OVHA's Disciplinary Procedure. This may also result in criminal prosecution for theft or fraud.

Use of the credit card, the agreed credit limit and cardholder access will be reviewed on a continual basis to enhance security and minimise potential liabilities and costs.

4. Conditions of Use

The corporate credit card may only be used for the purchase of goods or services consistent with the operational requirements and needs of OVHA where we do not hold an account with the company we wish to order goods from.

The cardholder must ensure that any purchases made do not breach the agreed credit limit in place.

Authorised employees must ensure that adequate OVHA budgets are available to cover the cost of the expenditure **before** it is incurred.

The corporate credit card **must not** be used for purchases of a personal nature or for non-business related transactions under any circumstances.

The credit card must only be used for card payment transactions. Direct debits, standing orders or online banking facilities **must not** be used.

The credit card **must not** be used to obtain cash, either from an ATM or as part of 'cashback' during a card purchase transaction, **under any circumstances**. Other procedures are available where cash is required for emergencies or at short notice. For further advice, please contact the Finance Team.

The card user must provide full supporting documentation, and accompanying statement, to the Finance Team. The credit card expense form must be reviewed and authorised by the Finance Manager. The Finance Team will retain this information for all credit card purchases in order to provide an adequate audit trail to the expenditure incurred through the bank. This includes:

- The original purchase request details (where applicable), with

- authorisation at the appropriate level of delegated authority.
- Evidence and/or explanation of why the purchase of goods or services is required on the credit card and not through the normal order process:

If it is required that an online account has to be set up before an order can be placed e.g. Amazon, Supermarket etc. then only a member of the Finance Team is authorised to set up an account on OVHA's behalf. All passwords and account details will be retained by the Finance Team and must not be disclosed to any other persons other than authorised employees.

5. Reconciliation of Credit Card Statements

The Finance Team will reconcile credit card statements on a monthly basis. All authorised employees must ensure they forward their approved credit card expense forms and supporting documentation to the Finance Team monthly, in line with the specified timescales.

The Finance Team will reconcile the monthly credit card statements ensuring:

- The credit card expense form is appropriately authorised
- All supporting documentation is attached and accurate
- Ordering & delegated authority procedures have been adhered to
- VAT has been correctly identified
- Expenditure has been properly coded

In the event that any unauthorised transactions occur on the account, the Finance Manager should report them to the CEO as a matter of urgency.

6. Security

Cards should be signed by the CEO as soon as it is received and set up of the card must be completed, prior to card usage, in line with the card issuer's guidelines.

The unique Personal Identification Number (PIN) that is received with the card should be changed to a more appropriate, memorable PIN prior to card usage. The PIN number must be kept secret, must never be written down and should not be shared with anyone under any circumstances, including to other OVHA employees.

In order to further safeguard card security, the following general principles should also be followed:

- Whilst making purchases, employees are not to lose sight of the card to reduce the chance of someone 'skimming' the details i.e. using a device to copy details from the card
- Check the receipt is correct in relation to the amount and type of goods/services purchased before the PIN is entered or payment

- approved, and request and retain all the relevant receipts
- Destroy any unwanted or expired cards by returning to the Finance Team and witness them cutting through the signature, magnetic strip and chip and disposing of as part of the confidential waste process.
- Report any lost or stolen cards to the Finance Team and card issuer immediately
- Do not send card details via email or written communication under any circumstances
- Telephone/online payments should only be made with established suppliers with a registered address and verified accreditation. Where there is uncertainty around the authenticity or appropriateness of a supplier, the Finance Manager should be consulted.
- The terms and conditions signed up to with the card issuer as part of the application form must be adhered to at all times.

In addition, the following needs to be considered when purchasing goods online in order to protect card details and prevent against unauthorised usage:

- Secure websites will start with https, not http. Secure sites have an added encrypted transaction layer and should be used in all circumstances for online purchases.
- Purchasers must ensure that a secure browser is used in all circumstances.
- Standard symbols show an intact key or padlock where a site is secure and a broken key or padlock where a site is unprotected.
- If the website gives you the option of using a secure checkout method you must accept this.
- Ensure that a single browser is open when submitting card and personal data.

To ensure the controls in place for the use of the credit card are operating effectively, the procedures in place will be subject to Internal Audit who will report any findings to the CEO and FARM Committee.

7. Acceptable Use of the Credit Card

In accordance with the Employee Code of Conduct, employees must ensure that they use the Association's funds entrusted to them in a responsible manner and for the purposes of the business.

The corporate credit card is only to be used in circumstances where normal ordering procedures are:

- Not available
- Not suitable

Though not exhaustive or mutually exclusive, use of the credit card is

generally acceptable in relation to the following types of purchases:

- Goods/services needed **urgently**, such as;
 - Rail travel and accommodation
 - Emergency repairs equipment, tools and sundries
 - Emergency accommodation for tenants
- Goods/services that cannot be acquired through the normal ordering process, such as;
 - Suppliers who only accept payment via credit card e.g. online job, adverts
 - Online subscriptions
 - Telephone orders

Use of the credit card is **not** acceptable under any circumstances for the following:

- Personal or non-business related expenses, including expenses with later reimbursement
- Tips and gratuities
- To obtain cash, either from an ATM or as part of 'cashback' during a card purchase transaction
- To pay a fine
- Beyond the approved expenditure/credit limit
- Where use has not been approved by the appropriate level of delegated authority.
- Where approval for use has not been properly requested, documented or evidenced. OVHA retains the right to recover costs from individual employees **where the required evidence of purchase cannot be provided.**
- To pay suppliers where there is any uncertainty over their credibility or authenticity.
- To purchase gifts or prizes specifically for employees where there may be taxable benefit implications.
- To purchase gifts, prizes or offer rewards to a third party in contravention of the anti-bribery guidelines or the Code of Conduct for Employees.

Where there is uncertainty over the use of the card for a specific purpose, the Head of Finance should be consulted and he/she will have authority to confirm if it is acceptable credit card use or not.

Where a deviation from the policy is required in terms of the acceptable use of the card, approval must be obtained from the Head of Finance prior to use. Such circumstances should arise only by exception. In such cases the Finance Manager will make a judgement based on

reasonableness and the basis of the request and approval must be documented.

8. Misuse and Fraudulent Use

The Association will take any misuse or fraudulent use of the corporate credit card very seriously. Misuse or fraudulent use of the corporate credit card will constitute gross misconduct.

OVHA reserves the right to require the person responsible for the misuse or fraudulent use to repay any sums relating to the misuse or fraudulent use of the card and to invoke SHA's Disciplinary Procedure.

Consideration will also be given to cancelling credit card usage and limiting or revoking the employees purchasing authority. This may also result in criminal prosecution for theft or fraud.

'Misuse' is defined as using the card for any expenditure that is non-business related, including those activities falling within the excluded categories above. 'Fraudulent use' is defined as using the card for any dishonest purposes, including the incorrect reporting and claiming of expenditure. For example:

- Claiming personal expenditure as OVHA expenditure
- Falsifying records or documentation
- 'Double dipping' – using a card for expenses, purchases or costs where those costs have been or will be reimbursed as part of an allowance or expenses claim.

9. Policy & Procedures Review

The Finance Manager will keep this policy & procedure under review and after appropriate consultation may make any recommendation to the FARM Committee as he/she considers necessary.