Corporate Credit Card Policy

Document Type	Policy
Document owner	James Sole, Deputy Finance Director
Approved by	Management Board
Approval date	September 2020
Review date	September 2021
Version	1.1
Amendments	New policy
Related Policies & Procedures	Expenses Policy; Procurement Policy

1. SCOPE

1.1 This policy applies to all LSHTM staff.

2. PURPOSE AND OVERVIEW

2.1 To set out the security and other conditions which must be followed by all cardholders when making use of LSHTM's Corporate Credit Card facility.

3. GENERAL OVERVIEW AND INTRODUCTION

3.1 LSHTM recognises that there are advantages to be gained by using a Corporate Credit Card as part of its procurement process. LSHTM issues corporate credit cards to employees in certain circumstances.

3.2 Corporate credit cards will only be issued to LSHTM employees who are salaried members of staff, and who are able to demonstrate that the issue of the card is required in their duties.

3.3 In order to receive a corporate credit card an employee must first submit a business case detailing the business requirement for the card and why other methods of payment are not deemed appropriate. It should be noted that the majority of expenditure must be incurred through the normal procurement routes, primarily purchase orders. The use of corporate credit cards for payment is only for exceptional expenditure which cannot be met by the normal procurement routes.

3.4 Please note that university corporate cards are provided for *business use only* and purchases made using a Corporate Card must comply with all associated policies and procedures, in particular LSHTM's **Expenses Policy** and **Procurement Policy**. These are the policies which outline what is deemed to be appropriate business spend and it is assumed and expected that all cardholders will have read and understood these policy documents in detail. The information contained therein is not replicated within this document.

3.5 LSHTM expects all card holders to treat their corporate card with the same levels of security and responsibility as they would treat their own personal credit card. Failure to do so will be interpreted as a breach of this policy and may result in the facility being withdrawn.

3.6 This policy outlines the circumstances in which it would be appropriate to issue a member of staff with a corporate credit card, the application process and the principles to ensure the proper use of LSHTM corporate credit cards. This policy also outlines cardholder responsibilities.

3.7 LSHTM's current corporate credit card provider is NatWest bank. This will be reviewed periodically to ensure value for money and an appropriate service which meets LSHTM's needs is received.

3.8 Cardholders must submit their expenditure once a month. Statement notification will be sent out on the 13th of each month. Employees must complete and upload all receipts within 10 working days and approval must be before the end of the month, detailing the relevant coding and obtain the necessary approval. If cardholders require an extension, such as due to travel commitments/holiday they should contact creditcard@lshtm.ac.uk in advance to request an extension. It is expected in these cases that the reconciliation will take place within 5 working days of their return.

3.9 Card usage will be reviewed annually to ensure it is still appropriate for a card to be held.

3.10 Compliance with this policy is mandatory. Failure to follow this policy will result in the card being withdrawn and may result in disciplinary action. A serious breach of the policy may constitute gross misconduct and lead to dismissal.

3.11 Finance and Procurement will consider each application received and determine if a card is legitimately required. The below will be carefully considered in deciding whether a card will be issued.

4. ISSUING OF CREDIT CARDS

4.1 Corporate credit cards will only be issued to LSHTM employees who are able to demonstrate that the credit card will aid in the effective and efficient exercise of their official duties. Factors that will influence the decision to issue a card to a particular employee include:

- The nature and extent of minor purchases of goods and services that may be undertaken.
- The frequency and nature of domestic and international travel that may be undertaken in the course of official duties.
- The need to meet the cost of official "out of pocket" expenses (including certain approved entertainment/hospitality cost).

4.2 The Expenses Policy provides that the majority of business expenditure must be incurred though procurement routes, primarily through raising a purchase order. If there

are other reasons why the LSHTM procurement routes in the policy are not appropriate, an application for a corporate credit card can be submitted to the Finance Department.

4.3 A business case must be submitted to the Finance and Procurement department using Service Desk. This must include:

- The applicant's position title;
- Justification for issue (that adequately explains the rationale for the issue of a card, in line with 2.1 above);
- Proposed credit limit (based on anticipated usage of the card and the likely expenditure to be incurred);
- Approval of the business case by line manager

4.4 Approval to issue a corporate credit card will be made by the Finance Director, or his/her delegated alternate. If approved, the credit card administrator will liaise with the applicant with respect to the completion of the NatWest Bank Cardholder Application form for the new corporate credit card account and the physical issue of the card.

4.5 The new card will be signed for by the card holder to acknowledge receipt of the card.

4.6 Finance will maintain a Register of all card holders with the following details:

- Name of each card holder
- Work address and telephone number
- Card account number
- Monthly expenditure
- Credit limit
- Card expiry date

4.7 The registered address for University corporate cards is London School of Hygiene and Tropical Medicine, Keppel Street, London, WC1E 7HT. This address should be used when asked for the 'invoice' or 'registered' address. Your own School or Unit address may be used for the 'delivery' address. Please note that using an incorrect registered address when making a purchase, may result in the transaction being declined.

5. RESTRICTIONS ON THE USE OF CORPORATE CARDS

5.1 Purchases made using your corporate card are governed by the Expenses Policy and Procurement Policy. Purchases made out with these policies may not be authorised. Unauthorised spend should be reimbursed as quickly as possible.

5.2 At no time should cash withdrawals be charged to your University corporate card. If you require a cash advance please contact Accounts Receivable for Cash Advance policy. If this is salary related - this must be requested through HR-Payroll.

5.3 At no time should personal purchases be deliberately charged to your corporate card. If this has been done in error, then repayment should be made within 10 working days.

5.4 A credit limit for the card will be set at the time of issue and cardholders will be notified of their limit. The cardholder is responsible for ensuring that spend does not exceed this pre-approved limit. Attempts to purchase beyond the agreed limit will be declined.

5.5 Cardholders may request an increase to their card limit, which will be considered by the Finance Director, or his/her delegated alternate. Requests should be made to the credit card administrator via creditcard@lshtm.ac.uk . Please note that the cardholder's line manager must approve all requests for increased limits prior to consideration by the Finance Director.

5.6 Corporate Cards can be used for the following types of purchases:

- Low value / one off purchases (normally below £250) of goods or services where there is no alternative existing agreement in place for those goods or services.
- Purchase of incidental travel and subsistence during a trip on LSHTM business.
- Conference registrations.

5.7 Corporate credit cards ***should not be used*** for the following:

- Travel, other than incidental or additional during a trip, which should be pre-booked through LSHTM's recognised travel provider(s).
- Making purchases from established suppliers
- Payment for professional services
- Estates purchases
- Purchases of laboratory consumables

5.8 The above items should be purchased in accordance with the Procurement Policy. This is not an exhaustive list.

6. THE CREDIT CARD AND EXPENSES ADMINISTRATOR'S RESPONSIBILITIES

6.1 The responsibility of the credit card administrator will be to:

- Receive authorised Credit Card applications and submit to NatWest bank.
- Receive newly issued Cards from NatWest and perform the appropriate administrative tasks.
- Notify the Cardholders of receipt of the Card and forward them the relevant training materials
- Set the employee up on the NatWest online Credit Card system.
- Manage the Corporate Card reminder system
- Have full access to the NatWest Online system for all Cardholders and liaise with NatWest on all matters regarding Card administration.

- Run a report on the 13th of every month showing any outstanding Corporate Card Expense claims. Download LSHTM statement from NatWest on the 13th of every month.
- Produce a monthly reminder to all Credit Card Holder to log in and complete their statement.
- Cancel / suspend a Card when the Cardholder is leaving the University, going on long term leave or secondees or delay in sending processing their statement.
- Remove Cards from users in cases of misuse or persistent non-compliance with this policy or LSHTM financial regulations. Any Cardholder whose Card has been withdrawn due to misuse or non-compliance will not be able to apply for a new Card.

7. CARDHOLDER RESPONSIBILITIES

7.1 When taking delivery of a card each cardholder will be provided with a 'Statement of Responsibilities' (see Appendix 1). This is to be signed by the cardholder to acknowledge their understanding of the conditions under which the corporate credit card is used. The cardholder is to retain a copy of this schedule. The original copy will be kept in the Finance department.

8. CARD MANAGEMENT SYSTEM

8.1 Card transactions are coded and submitted for authorisation using the credit card form. Card transactions are normally available for coding within a few days of making the purchase.

8.2 If the project code has a specified approver, the form must be sent to them or a delegated administrator.

8.3 Full guidance on completing the credit card form system can be found in Service Desk guide on Moodle, and the cardholder training manuals.

8.4 A delegated administrator can be set up to assist cardholders by coding and submitting card transactions on their behalf. This will be subject to local arrangements in your School or Unit and should be agreed with your local administrative team.

8.5 All transactions should be coded and submitted to your approver as soon as possible and within 10 working days of the statement date and approval must be before the end of the month. If cardholders require an extension, such as due to travel commitments/holiday they should contact creditcard@lshtm.ac.uk in advance to request an extension. It is expected in these cases that the reconciliation will take place within 5 working days of their return. Failure to code and submit transactions for approval within one month will be interpreted as a misuse of the corporate card facility and persistent delays in submission for approval may result in this facility being withdrawn, in line with section 9 below.

8.6 A weekly reminder is sent automatically by the Expenses Administrator advising of any outstanding actions.

9. WITHDRAWAL OF CORPORATE CARD FACILITY

9.1 Cardholders with transactions outstanding for more than one month will receive a reminder email from Finance to code and submit their transactions for approval.

9.2 Cardholders with transactions outstanding for more than two months will receive a second and final reminder from Finance to code and submit transactions for approval.

9.3 Cardholders with transactions outstanding for more than three months will have their corporate card facility suspended until the account is brought up to date. Repeated failures will result in the facility being withdrawn altogether.

9.4 If a card is suspended or withdrawn then staff may reclaim business expenses through the expenses claim process.

9.5 Finance reserve the right to suspend or cancel cards immediately in extreme cases of misuse or where security of card details has been deliberately compromised through a failure to adhere to the processes outlined in section 6 above. In the event of a cardholder having their card suspended, they have a right to appeal against the decision to the Finance Director.

9.6 If you leave LSHTM:

9.7 If you are leaving the University you should avoid making purchases on your corporate card in the final weeks of your contract.

9.8 You must bring your corporate card account up to date with all transactions coded and submitted for approval in good time before you leave.

9.9 Your card should be cut up and disposed of. Please notify the credit card administrator that this has been done by emailing creditcard@lshtm.ac.uk as soon as possible so that the card can be cancelled on the system.

9.10 The School reserves the right to deduct from your final pay cheque any expenses on your credit card which have not been processed by your last day.

10. STATEMENT OF RESPONSIBILITIES

10.1 Cardholders issued with a corporate credit card are in a position of trust in regards to the use of public funds. All expenditure charged to a corporate credit card is subject to examination and approval by a delegated authoriser to ensure its appropriateness and compliance with the policy conditions.

10.2 Improper use of that trust will result in the card being withdrawn and render the cardholder liable to disciplinary and possible legal action;

10.3 Corporate credit cards are only to be used for official business / University purposes. Where inappropriate expenditure occurs, the value of the expenditure may be recovered from the cardholder

10.4 The cardholder is personally responsible and accountable for the safe keeping of the card. Cards are to be kept secure and protected against improper use; In the event that a card is lost or stolen, the cardholder must report the loss immediately to card provider.

10.5 The Credit Card Administrator (creditcard@lshtm.ac.uk) is also to be advised at the earliest opportunity

10.6 Any PIN that has been issued with the card must not be disclosed or carried with the card

10.7 Monthly Cardholder Statements are to be reconciled within 10 days of the Statement Date. As part of the monthly submission process the cardholder is to certify that all charges shown are correct and were incurred for official purposes. Repeated failure to submit monthly statements in a timely fashion may result in the corporate credit card being cancelled

10.8 All transaction slips are to be retained and submitted by the cardholder when passing their monthly Cardholder Statements. A scanned copy must be attached to the NatWest account for approver viewing. The original sent to the expense's administrator for Finance record. Where no documentation is available to support a particular transaction, the cardholder will be required to provide a declaration detailing the nature of the expense and that is business related;

10.9 Credit limits are not to be exceeded

10.10 In the event of termination of employment cardholders will immediately return the corporate credit card to Finance and ensure the corporate credit card account is properly reconciled.

11. CORPORATE CREDIT CARD FRAUD

11.1 Cardholders are personally responsible and accountable for the safe keeping of their card. Cards should be kept secure and protected against improper use. In the event the card is lost or stolen, the cardholder must report the loss immediately to the card provider. Any transactions on an account which cannot be identified by the cardholder should be reported to the card provider directly. The Credit card administrator should also be advised at the earliest opportunity who will follow up with the bank.

12. FURTHER INFORMATION & HELP

12.1 Help and guidance, including access to all training materials and relevant policies can be found on the University's Intranet.

12.2 Please email creditcard@lshtm.ac.uk or contact the credit card administrator on extension 2076 for general enquiries on the Credit Card including:

- Temporary increases to credit limit
- Changes to system set up (such as change of approver, or the addition of a delegate administrator)

12.3 You must call the NatWest Customer Services line for card related issues such as:

- Lost or stolen cards: +44 (0) 370 010 1152 – Option 1;
- Declined transactions: +44 (0) 370 010 1152 – Option 4;
- Reporting fraudulent transactions: +44 (0) 1268 508020 or +44 (0) 345 300 4351;
- Reporting a compromised PIN, card details or any other potential security breach: +44 (0) 370 010 1152 – Option 4

13. APPENDICES

13.1 Appendix 1 – Cardholder Statement of Responsibilities

APPENDIX 1

I understand and agree that:

1. I have read and understood the Credit Card Policy.
2. My corporate credit card is only to be used for official business purposes and that should inappropriate expenditure occur, the value of that expenditure may be recovered from the cardholder.
3. My corporate credit card is only to be used by the person whose name appears on the card.
4. I am personally responsible and accountable for the safe keeping of the card.
5. In the event that my card is lost or stolen, I will report the loss immediately to card provider and the Credit Card Administrator.
6. Any PIN issued with the card must not be disclosed or carried with the card.
7. All transaction slips are to be retained and submitted when submitting the monthly Cardholder Statement to my authorised signatory. Where no documentation is available to support a particular transaction, I will provide a declaration detailing the nature of the expense and that it is business related. These transactions slips will be retained by my cardholder's department.
8. Monthly Cardholder Statements are to be reconciled and returned to Finance within 10 days and approved within the month. I will contact creditcard@lshtm.ac.uk in advance if I require an extension to this timeframe. I will certify that all charges shown are correct and were incurred for official purposes. I also understand that repeated failure to acquit monthly statements in a timely fashion may result in my corporate credit card being cancelled.
9. I will not exceed credit limits. I will request a temporary increase in my limit should this be required for a specific expense.
10. I will not make deposits to the card account.
11. In the event of my termination of employment I will immediately return the corporate credit card and ensure the corporate credit card account is properly reconciled and acquitted.

I acknowledge that I have read and understand the conditions set out above and that I will, at all times, comply with the stipulated requirements.

Signature of Cardholder: _____

Name: _____

Date: _____

Position: _____