



Procedure

Procedure Name	<i>Procurement Card</i>		
Procedure #	FO 6.2	Parent Policy	FO 6.0 Procurement
Policy Owner	Vice President Administration	Effective Date	November 1, 2016
Procedure Owner	Associate Vice President Finance and Corporate Services	Review Date	November 2021
Approved by	Executive Committee	Approval Date	October 26, 2016

1.0 Purpose/Background

The Procurement Card is a tool that allows NAIT employees to make purchases on behalf of NAIT, and for which NAIT is liable. The Procurement Card is intended to provide an efficient, cost-effective method of making low dollar value purchases, and also reduces the need for out-of-pocket expenses and the use of personal funds.

This procedure outlines the process to obtain a card and the responsibilities of the cardholder once a card is issued.

2.0 General Principles

- Default monthly spending limits and single transaction spending limits will be set, from time to time, by the Supply Chain Management department (SCM). Variations may be requested on a temporary or permanent basis upon approval by SCM and a cardholder's supervisor, subject to the NAIT Signing Authority Matrix.
- By default, procurement card use is not allowed for merchants related to travel. For users that require travel permissions to be added to their cards, authorization from a Dean, Director, or Executive team member can be requested.
- Procurement cards are for NAIT purchases. NAIT, as a public entity, is subject to scrutiny. As such, procurement cards must be used responsibly. Cards are NAIT's property and can be revoked at any time.
- Where a procurement card is being used for memberships, subscriptions, or professional development opportunities, approval from a supervisor is required prior to incurring the expense. Where an expense is made that is not approved by a supervisor, reimbursement will be required.

- SCM will maintain a Procurement Card Manual informing cardholders of the allowable and non-allowable categories of purchases. This Procurement Card Manual will be reviewed from time to time, and any changes will be communicated to all cardholders.
- Cardholders are responsible for the security and use of their cards, as well as for the retention of original receipts and timely reconciliation of monthly statements.

3.0 Definitions

Term	Definition
Procurement Card	A credit card to be used for NAIT business purposes to facilitate low-dollar, low-risk transactions
Cardholder	NAIT employees that have applied for and received a Procurement Card
Original receipts	The receipt or invoice issued by the merchant (note that the Visa slip is not considered to be a receipt)

4.0 Procedures

- 4.1 An applicant completes the Procurement Card application form available from the SCM and has the application form signed by a supervisor based on the NAIT Signing Authority Matrix. Where travel permissions are required, further approval of an Associate Dean, Dean, Director, Associate Vice President, Executive Director, or Senior Executive Member is to be obtained.
- 4.2 At the time a Procurement Card is issued to the employee, a mandatory training session is provided.
- 4.3 Every month when the billing cycle closes Cardholders will receive notification that the statements are ready to be reconciled. Note that transactions can also be reconciled throughout the month as they appear in the system.
- 4.4 Cardholders reconcile their transactions, electronically attach receipts, and submit statements for approval online. Supervisors approve statements through the same online system.
- 4.5 Procurement Services maintains a summary of transactions, including comments, for audit purposes.
- 4.6 Lack of compliance with these procedures, including ineligible purchases, splitting of transactions to circumvent spending limits, and failure to reconcile and submit statements can lead to revocation of the Procurement Card.

5.0 Exceptions to the Procedure

- 5.1 Exceptions to this procedure must be documented and formally approved by the Policy Lead.
Procedure exceptions must include:

- The nature of the exception
- A reasonable explanation for why the procedure exception is required
- Confirmation that the exception aligns with the general principles
- Any risks created by the procedure exception and how they will be managed.

6.0 Related Documentation

FO.6.1 Procurement Procedure

Document History

<i>Date</i>	<i>Action/ Change</i>