Northwest Nazarene University Credit Card Policies and Procedures

Objectives
1. To allow university personnel access to efficient and alternative means of payment for approved expenses, especially expenses related to business travel. The university’s purchase order system will continue to be the required purchasing method for purchases whenever possible.
2. To improve managerial reporting related to credit card purchases.
3. To improve efficiency and reduce costs of payables processing.

Policies
1. University credit cards will be issued to faculty and administration only upon approval of an employee’s vice-president and the Vice President for Financial Affairs.
2. Credit cards will only be used for business purposes. Personal purchases of any type are not allowed.
3. The following purchases are not allowed:
   - capital equipment & upgrades
   - construction, renovation/installation
   - telephones, related equipment or services
   - items or services on term contracts
   - maintenance agreements
   - personal items or loans
   - rentals (other than short-term autos)
   - software, licensing agreements
   - purchases involving trade-in of university property
   - ultra-hazardous materials and/or products
   - any other items deemed inconsistent with the values of Northwest Nazarene University

4. Cash advances on credit cards are strongly discouraged and are not allowed without advance written permission from the Controller’s Office.
5. Cardholders must submit receipts for all credit card purchases on a monthly basis. Any charges not substantiated by receipts and submitted for payment by the 15th, will be deducted from the employee’s paycheck when that month’s payroll is processed. An employee, who subsequently produces receipts for their charges, may submit the receipts for reimbursement after the payroll deduction has occurred. Cardholders failing to submit receipts on a regular basis may have their credit card privileges revoked.
6. Cardholders will be required to sign an agreement indicating their acceptance of these terms. Individuals that do not adhere to these policies and procedures will risk revocation of their credit card privileges and/or disciplinary action.

Procedures
1. Credit cards may be requested for prospective cardholders by written request by the employee’s vice-president to the Vice President for Financial Affairs.
2. Detailed receipts must be retained and attached to the credit card statement. In the case of meals and entertainment, each receipt must include the date, time, names of all persons involved in the event, and a brief description of the business purpose of the event (in accordance with Internal Revenue Service regulations).
3. Monthly statements, with attached detailed receipts, must be submitted to the Business Office with the payment allocation form by the 15th of each month.
4. All payment allocation forms submitted with receipts and monthly statements must include the signature of the cardholder, the signature of the approving budget officer(s) (unless the cardholder is the budget officer), and the date of approval.
5. All payment allocation forms submitted with monthly statements must have the appropriate account number(s) and the associated amounts clearly written in the designated fields on the form. Multiple purchases charged to the same account number must be subtotaled.
6. Under Idaho law, the University is not required to pay sales tax on many acquisitions. Cardholders should make every effort to ensure that purchases do not include Idaho sales tax. Tax-exempt certificates are available through the Business Office. Sales taxes may be paid for minimal expenditures from one-time vendors who refuse the exemption, but sales taxes should not be paid where the purchases are for more substantial expenditures or are repetitively incurred (select another vendor).

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