



McLeod Lake Indian Band

Credit Card Policy

Approved by Chief and Council, July 18, 2018.

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MCLEOD LAKE INDIAN BAND (MLIB) CREDIT CARDHOLDERS' RESPONSIBILITIES AT A GLANCE

All registered MLIB Credit cardholders should:

- **Become familiar with the requirements of MLIB Credit Card Policy**
- **Familiarize themselves with the spending limits, purchase restrictions and the credit card reporting rules set by MLIB**
- **Become familiar with the penalties for violating MLIB Credit Card Policy**
- **Use credit cards issued by MLIB for MLIB business purposes only and for purposes in conjunction with their job duties and responsibilities.**
- **Not use the MLIB issued credit card for personal or non-MLIB business charges.**
(Non-business purchases are considered as purchases that do not benefit MLIB).
- **Know when MLIB credit card expense reports are due and submit them promptly**
- **Keep all receipts and supporting documentation for charges and submit them with their expense reports**
- **Safely secure MLIB issued credit cards, report any suspicious charges and promptly report any theft or loss of their credit cards**
- **Not distribute, transfer or share their MLIB issued credit card numbers with others or save their card numbers on line**
- **Turn over all Rewards Program points to MLIB**
- **Return their credit cards to MLIB, if they are no longer employed by the band**
- **Take full advantage of any credit card usage training offered by MLIB**
- **Keep abreast of MLIB credit card policy changes that may occur from time to time.**

Credit Card Policy

Objectives

- The McLeod Lake Indian Band (MLIB) Credit Card Policy serves to provide MLIB Chief and Council and Employees with guidance regarding the use of MLIB issued credit cards, to provide MLIB Finance Staff with guidelines to pay credit card claims, and to assure Band Members that MLIB credit cards are not being abused.
- To provide a cost-effective, secure and convenient method of paying for MLIB travel and hospitality-related expenses by employees on official MLIB business travel and for making goods and services purchases for MLIB, while ensuring effective financial control.

Expected results

- That financial resources are used appropriately, are based on the right authority and losses due to waste, abuse, mismanagement, errors, frauds, omissions and other irregularities are minimized or eliminated

Scope

This policy covers the use of McLeod Lake Indian Band registered credit cards by:

- Chief and Council;
- Employees of McLeod Lake Indian Band, Tse'khene Community Development Corporation, and Tse'khene Food and Fuel Ltd.
- There are approximately 10 corporate Visa Credit Cards, which are issued to
 - Chief
 - Executive Assistant to facilitate travel and related expenses of Chief and Council.
 - MLIB Departments

This policy is not applicable to:

- Contractors, who are deemed to be independent of the McLeod Lake Indian Band. Contractors will not be provided access to Band owned credit cards but may be re-imbursed for use of their own credit cards when used in conjunction with band related business.
- Officials of the Duz Cho Group of Companies and its entities.

Purpose of MLIB Credit Cards

The purpose of MLIB corporate credit cards is to:

- Facilitate the governance of the Band;
- Secure accommodation, vehicle rentals and other services, especially for employees and members who do not have credit;
- Provide a cost-effective, secure and convenient method of paying for goods and services purchased for MLIB, and,
- Deliver programs and services to Band Members.

Credit Cards Facilities

Credit Cards owned by MLIB include Royal Bank of Canada Visa and dedicated supplier cards such as those for Staples, Home Depot, Petro Canada and other vendors. A list of vendor credit cards is maintained by MLIB Finance Department.

Authority to use Credit Cards

- Credit Cards may be assigned to Chief, and employees of the McLeod Lake Indian Band, Tse'khene Community Development Corporation and Tse'khene Food and Fuel Ltd.
- Chief and Council, as authorized signers of McLeod Lake Indian Band and its companies, will have sole authority to apply for, set spending limits for each card, and assign credit cards as recommended by the Chief Financial Officer at a duly convened meeting of MLIB Council;
- Purchases in excess of the managerial limit, as stated in the MLIB Financial Policy, for a single purchase must be approved prior to purchase must be done through the regular purchase process with a Purchase Order and Cheque Requisition. Managers should not contrive to divide single purchases into multiple increments so as to avoid the requirement for approval and purchase order.

Limitation on certain types of purchases

- Assigned credit cards may be revoked if there is misuse or if the convenience of a credit card is no longer required.
- Credit cards should not be transferred to other employees by a card holder – the card should be returned to the Finance Department and re-issued according to the authority provided by the Chief and Council.
- Purchase of alcoholic beverages in bulk with MLIB credit cards is strictly prohibited.

Purchases

Purchases using credit cards must be for the benefit of McLeod Lake Indian Band or its Entities, and may not be for the purchase of goods or services of a personal nature.

Purchases may include:

- Travel related expenses such as parking, meals, taxis, hotel rooms, and airfare; rental vehicles and shuttle services.
- Materials and supplies such as hardware, lumber, paper, computer supplies, small equipment, etc. – major purchases will normally be done with a purchase order with a regular Band supplier;
- Food for Band approved meetings;
- Vehicle expenses such as gasoline, emergency or out of area repairs – regular servicing and repairs of Band vehicles will be done with an approved repair shop and contracted with a purchase order;

Major purchases should normally be made by Purchase Order (PO), with purchases delivered to McLeod Lake Indian Reserve #1 by courier or other bonded carrier. Doing so will save the Band Provincial Sales Tax and Goods and Services Tax. To arrange for tax free delivery, the vendor will require the Band's tax exempt number, which is **0618R**.

Personal Use of MLIB Credit Card

- Items of a personal nature should not be purchased using a Band owned credit card, unless there is an emergency situation. Any personal charge will be deducted from employee wages or honorariums. Continued use of a Band credit card for personal use will result in cancellation of the card and/or disciplinary measures as outlined in the Personnel Policy.

- No advances of cash may be obtained from the card unless it is for emergency purchases, documented and well justified.
- If a personal charge is inadvertently made on a Band Credit Card, the card user should promptly notify MLIB Finance Department of the personal charge.

Processing Credit Card Payments

Finance Department Responsibilities

- The Finance Department will receive all credit card statements from the credit card company. They will photocopy the statements and provide them to the credit cardholder.
- The Finance Department will process the credit card statement so that there will not be interest charges for late payment.
- The credit card holder will receive a photocopy of the credit card statement and will account for all purchases within a two week **(2)** period. All entries on the credit card statement should be matched with the original receipt provided at point of purchase. For those receipts that are not sufficiently descriptive, the card holder should indicate what the purchase was for. Any personal charges should be highlighted. For travel, the purpose of the meeting or travel must be disclosed along with which organization or people the meeting has taken place.
- The Finance Department may suspend a credit card if the expenditures have not been accounted for before the receipt of the next credit card statement.

MLIB Cardholder Responsibilities

A form will be provided to the credit cardholder to ease the accounting process.

- All purchases made by credit card must be accounted for. The holder of a credit card must provide the following information to the Finance Department when the credit card statement is received:
- The official receipt for each credit card transaction should be matched to a corresponding entry on the statement. The receipt should include a detailed listing of what was purchased and the purpose of the expenditure. When a receipt covers more than one account or department, the receipt should be itemized so that the costs can be assigned to various accounts or departments.
- Goods and services tax should be identified separately when accounting for the purchases.
- Copies of the original credit card receipts should also be attached to claims for travel expense reimbursement.

Lost Receipts

- If a receipt is lost, the holder of a credit card may provide other proof of the purchase, such as a picture of the purchase or a copy of the barcodes and warranty, and may be required to sign a statutory declaration. Too many lost receipts may result in cancellation of the card.
- Should the holder of a credit card fail to provide receipts or adequate explanation for the expenditures, the amount of the purchase will be deducted from the employee's wages and/or may result in disciplinary action as outlined in the Personnel Policy.

Incorrect Statement

- The vendor may err in charging purchases or the credit card company may include mystery charges on the statement. It is important that the credit card company be queried regarding incorrect charges as soon as possible, so that the charges can be clarified or reversed. As some credit card companies provide a deadline for disputing the statement, the company should be contacted as soon as possible.
- The credit cardholder should immediately advise MLIB Finance Department of problems of the above nature and Finance will seek to have the problems resolved.

False Statements

- Willful misrepresentation of a credit card purchase or altering credit card receipts are grounds for disciplinary action including dismissal as outlined in MLIB Personnel Policy.

Ownership

- Goods or services purchased with a Band owned credit card remain the property of McLeod Lake Indian Band. More expensive items should be registered on the capital asset list of the Band.
- Warranties for items purchased should be recorded. It is recommended that a copy of the official receipt of an item that offers a warranty be taped to the back of the item or the warranty period be marked on the item itself to provide ease in warranty claims.
- Some cards, such as Royal Bank Visa, Staples, and Home Depot offer loyalty reward points. These points are the property of McLeod Lake Indian Band and goods or services obtained with these points remain the property of the Band.

Lost or Stolen Credit Card

- If the holder of a credit card loses their card, the credit card company should be contacted immediately and be advised of the loss. The employee's manager and the Finance Department should also be advised.

Travel Advances

- Persons issued credit cards are not eligible to receive travel advances, as all travel related costs should be put on the credit card.

Acknowledgement

Persons holding MLIB credit cards shall sign the following acknowledgement:

I acknowledge that I have read and understand the McLeod Lake Indian Band Credit Card Policy and that I have had the opportunity to clarify questions that I have regarding this Policy.

I agree that any loyalty reward points earned through Band credit card usage should be provided to the Band.

I agree to re-imburse the Band for any and all personal charges to Band credit cards and authorize the MLIB to deduct these amounts from my wages.

I agree to abide by the provisions of the McLeod Lake Indian Band Credit Card Policy. I understand that failure to follow MLIB Credit Card Policy may result in loss of Credit Card privileges and/or disciplinary actions as specified by MLIB Personnel Policy.

Print Name of MLIB Credit Cardholder

Signature

Date