

# **Paid Family & Medical Leave Insurance Authority Credit Card Policy**

## **Policy brief & purpose**

The Paid Family and Medical Leave Insurance Authority (the “Authority”) may provide employees with credit cards that can be used for business-related expenses. Having these cards helps us track and process our expenses, prevent fraud, and make payments more efficiently. We want to make sure that employees who hold Authority credit cards will use them properly and will know their limitations and responsibilities.

## **Scope**

This policy applies to all employees who are eligible to use an Authority card. It also applies to employees who have the right to approve the use of an Authority card for their team members.

## **Policy elements**

Here we outline our general rules about Authority credit cards.

### **How does an Authority credit card work?**

Usually, the Authority will take out a credit card in your name. You will be able to use it for business- related expenses and the Authority will pay the card bills.

### **Employee credit card agreement**

When the Authority gives you a credit card, you will need to sign and abide by a credit card agreement. This is to acknowledge that the credit card belongs to the Authority and that we can process and investigate charges as we see fit. It will also refer to your responsibilities and the consequences for incorrect use.

Apart from the agreement, you can consult this policy every time you need more information about the use of the Authority credit card.

### **Who can hold an Authority credit card?**

Authority credit cards may be given to those individuals authorized by the Chief Executive Officer (CEO). New credit card requests are sent via email by the Controller to the CEO for approval.

Sometimes, employees who do not hold an Authority credit card need to pay for large business-related expenses (e.g. plane tickets for work travel). In these cases, please ask your manager for approval. The appropriate Dept. head will submit a new travel form to the CEO on your behalf. Once the travel form has been approved, your manager will coordinate with an individual who has an Authority credit card to pay on your behalf. Alternatively, you can pay for the charge yourself and expense it via our Business Travel & Related Expenses Policy. If it meets our requirements, the expense will be reimbursed.

We have the right to withdraw an Authority credit card from an employee at any point.

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## **What expenses are allowed on an Authority credit card?**

You can use an Authority card to pay for work-related expenses only. This includes:

- Expenses involved in meeting with clients, board members, vendors, or other appropriate business partners (e.g. dinner, printed material)
- Hotel or similar accommodations during work-related travel
- Legal document expenses (e.g. Visa)
- Air, train, ship, or other transportation fares
- Local transportation during work-related travel (taxi fares, rental cars etc.)
- Other minor or per diem expenses that have been approved by your manager (e.g. meals, business materials)
- Training and educational material approved by your manager
- Other expenses allowed under the Business Travel & Related Expenses Policy

You must not use an Authority credit card for non-authorized or personal expenses. Any personal expenses must be reimbursed to the Authority within thirty days of the charge. Never withdraw cash using the Authority's credit card or use it to purchase traveler's checks. You are also not allowed to purchase alcohol, drugs, weapons, pornography or any illegal material or substances or incur charges for any kind of adult entertainment.

All receipts for purchases made with the Authority credit card must be submitted to the Authority no more than 30 days after the charges are incurred.

## **Exceptions**

You may apply for an exception to this policy if absolutely necessary. Inform the CEO and your manager about the expense you want to make – you might receive authorization in special cases. If you fail to obtain special authorization, you will be responsible for any expenses you incur and you may also face further disciplinary action, up to and including termination.

## **The limits of the Authority credit card**

The card limits depend on a number of factors, including your position within the Authority, your job functions and responsibilities and the frequency or type of expenses you incur. You will usually see your card's limits on the employee agreement, but, as a general rule, the monthly limits are:

- \$5,000 in cards used by non-executives.
- \$10,000 in cards used by executives.

We may adjust these limits based on your job's specific needs. If you are not sure about the limits of your Authority credit card, ask our accounting department.

# Paid Family & Medical Leave Insurance Authority Credit Card Policy

## Your responsibilities

If you have an Authority credit card, we expect you to:

- **Protect it to the best of your ability.** Do not leave it unattended or give it to unauthorized people (e.g. friends, family, colleagues) even just to hold. Keep it in accessible but secure locations, and make sure that account numbers on Authority credit cards are not posted or left in conspicuous places.
- **Report it stolen or lost as soon as possible.** If, for example, there's a break-in at your home and your Authority card is taken, you need to immediately report it to the card issuer, inform the CEO, and file a police report if appropriate. Statistics on stolen charge cards indicate that unauthorized use of stolen cards is greatest in the first few hours after the theft.
- **Use it only for approved reasons.** Follow the instructions in this policy and the employee card agreement, and do not use the card for personal or unauthorized expenses, even if you intend to compensate the charges later. Authority credit cards must NOT be used to pay for personal vacation or travel.
- **Document all charges to an Authority card and submit them on the Authority's credit card platform.** Please keep receipts and submit documentation with the date and purpose of the expense. All purchases must be supported by an invoice and documentation of the goods/services purchased and, if applicable, related to a specific event, meeting, or project. Receipts for all expenditures must be kept in good order and to furnish those receipts promptly (within 30 days of the transaction), together with such additional documentation that may be required by IRS and good business practices, including but not limited to person, place, purpose, and account to which each expense should be charged. The credit card statement is not considered adequate documentation for a purchase. If a receipt cannot be provided, then a Lost Receipt Certification Form must be completed and signed in its place.
- **Keep a copy of the tax exemption certificate.** Please maintain a copy of the Authority's tax exemption certificate to submit to vendors to ensure all CT charges are tax free. Additionally, some vendors may require a Cert-134 to prevent and/or remove tax charges. Please be sure that this form is completed and signed by the CEO to submit the vendor when required.

If you are responsible for authorizing and approving credit card invoices, please do so within the time limits to avoid late fees.

## Use of Authority credit card policy

When you are using the Authority credit card, you should:

- Confirm that the particular expense is allowed under this policy and the Business Travel & Related Expenses Policy.
- Mind the credit card limit and the transaction limit so you can plan business expenses properly.
- Keep the credit card number and physical card secure.
- Use the card sensibly and avoid unnecessary expenses even if they are allowed under this policy and the Business Travel & Related Expenses Policy.

# **Paid Family & Medical Leave Insurance Authority Credit Card Policy**

## **Violating this policy**

We expect you to comply with this Authority credit card policy and the employee agreement and we may need to take action if you violate them – see the Progressive Discipline Policy and Standards of Conduct sections of the Employee Manual. All transactions processed on an Authority credit card are subject to examination by internal and external auditors. The Authority has the right to review your credit card use and withdraw permission to use the credit card if there is any instance or pattern of inappropriate or unauthorized use. For example:

- Using the Authority credit card for personal use or unauthorized expenses is prohibited. If you incur personal or unauthorized expenses, they will be repaid by you immediately, deducted from future reimbursement, or considered a personal loan to be repaid through payroll deduction. If you do this consistently, you may face disciplinary action, up to and including termination.
- If you lose a receipt, you will need to inform the accounting department in writing immediately. We may find a solution if this happens rarely, including the completion of a Lost Receipt Certification Form, but if you fail to submit receipts consistently, you may lose the right to hold an Authority card.
- If you fail to submit expenses on time, and the Authority incurs late fees as a result of your failure to adhere to the credit card policies, you will be responsible for paying the late fees. Doing this repeatedly will mean loss of the Authority credit card privileges and may lead to further disciplinary action.
- Giving an Authority credit card to unauthorized people or abusing the expense limits may result in suspension or termination of the card and subject you to disciplinary action, including termination.
- Making prohibited purchases as mentioned previously (e.g. weapons, drugs) will result in immediate termination, and possibly legal action.
- Intentional misuse or fraudulent abuse of any Authority credit card may result in disciplinary action, up to and including dismissal and/or criminal or ethical sanctions. In addition, the authorized card holder shall promptly reimburse the Authority for any improper or unacceptable purchases and has personal liability for misuse.
- Honest inconsequential improper use of the card (you make an honest error) that is brought to the attention of the CEO and quickly remedied will not be considered misappropriation of funds but may result in temporary suspension of card usage.

The Paid Family & Medical Leave Insurance Authority does not accept liability for the following:

- Unauthorized use of Authority credit cards.
- Account numbers that are fraudulently used.

# **Paid Family & Medical Leave Insurance Authority Credit Card Policy**

## **Authority responsibilities**

- **Review of credit card statements/purchases**

Please see section 7.2 of the Finance and Accounting Policies document for how credit card purchases shall be processed

If there is any suspected irregular or potentially inappropriate use, this should be brought to the CEO's attention immediately. Any confirmed cases of inappropriate use of at least \$1,000 should be brought to the Board's attention at the next regularly scheduled meeting.

- **Inventory of credit cards**

No less than annually, the Controller will verify the cardholders are in possession of their cards to proactively identify any inadvertent cases of loss.

- **Cancellation of cards**

Any cards to be cancelled or suspended because the card is lost, stolen, misused, etc. will be done so immediately by the Controller.