The Virgin Islands Water and Power Authority
Corporate Credit Card Policy
(Adopted by the Governing Board on March 10, 2005)
(Revised by the Governing Board on November 19, 2009)
(Revised by Approval of the Governing Board on May 26, 2016)

This Corporate Credit Card Policy ("Policy") describes the assignment, use, and management of credit cards provided to Officers, Directors, and employees of the Virgin Islands Water and Power Authority (the "Authority" or "WAPA").

The Authority provides a Corporate Credit Card to certain Officers, Directors, and employees of WAPA to facilitate business travel "or matters related to the business operations of the Authority", by providing employees with a convenient method of payment and reducing the need for administration of travel advances. In addition, individuals also enjoy special services from the card, such as additional travel insurance coverage, and baggage insurance.

The Corporate credit cards provided by the Authority are issued for official Authority business use, and shall not be used to support personal or private business activities of the cardholder.

I. Scope

1. This Policy applies to all officers, directors, and employees of the Virgin Islands Water and Power Authority who, upon the express written approval of the Executive Director, are assigned a corporate credit card.

2. The use of any corporate credit card is governed by conditions set out in this Policy, the relevant Cardholders’ Responsibility statement issued by the Bank, the Authority’s Procurement Policy and Travel Policy and Delegations of Authority and the Cardholder User Agreement.

3. This Policy will be administered by a Corporate Card Administrator, who will be selected by the Executive Director.

4. Cardholders and their immediate supervisors are responsible for ensuring that the Cardholder adheres to the Policy, thereby ensuring adequate controls are exercised to minimize the risk that corporate credit cards are used for fraudulent or corrupt purposes.

5. Guidance on the types of business expenses that can be charged on the Authority's corporate credit card is found at Section IV of this policy.

6. The cardholder’s responsibility for reporting and documenting business expenses charged to the corporate card are also contained in Section VI of this policy.
II. Eligibility

1. Officers of the Authority and certain employees, as designated by the Executive Director of the Authority, are eligible to apply for a corporate credit card.

2. To be eligible for a corporate credit card, an employee who is not an officer of the Authority, must be approved by the Executive Director and meet one or more of the following criteria:

   - travels frequently in the course of his/her duties
   - travels outside the continental United States in the course of his/her duties
   - is a member of the Governing Board’s Internal Audit Staff;
   - is a member of the Authority’s staff that is directly involved in procurement activities or the management of key customer accounts; or
   - has responsibility for arranging business related travel for employees.

Eligible employees approved by the Executive Director, may obtain a WAPA corporate credit card by contacting the Corporate Credit Card Administrator. Approval for these cards must include the standard credit card application and a counter-signature by the Executive Director. Additionally, all cardholders must, as a condition of obtaining or retaining their card, execute a Cardholder User Agreement.

III. Limits

Each card will be limited to a maximum of $5,000.00. Exemption to this limit will be made on a case by case basis by the Credit Card Administrator, with the approval of the Executive Director, and in keeping with approved Financial Delegations.

IV. Authorized Use of the Credit Card

The corporate credit card is to be used for travel.

1. The nature and types of business travel expenses that can be charged on the Authority’s corporate card are contained in Section 12 of the Authority’s Personnel Policies and Procedures Manual entitled “Travel”.

2. The corporate credit card shall not be used, under any circumstances, whether for business or personal use, to obtain cash advances.

3. The corporate credit card is to be used primarily for official Authority business, not personal expenses. Personal use may be permitted by the
Executive Director or Chief Financial Officer where exigent or emergency circumstances arise while on Authority business; and not for convenience; provided however that such personal use shall not exceed the sum of $500.00. In such instances, any personal charges must be paid in the billing cycle in which the charges appear, failing which the use of the card may be suspended or cancelled.

4. Use of the corporate credit card for the Authority's business operations must be authorized in writing by the Executive Director of Chief Financial Officer. A copy of this authorization shall be submitted as part of the travel expenses report, failing which the charges will may not be paid by the Authority.

5. Materials, equipment, parts and services paid with the corporate credit card must be secured in accordance with the Authority’s procurement requirements.

6. Alcoholic beverages may not be charged to the corporate credit card unless approved by the Executive Director or the Chief Financial Officer and must be for legitimate business purposes. Written approval by the Executive Director or Chief Financial Officer of such use must be provided with the expense report, failing which the charges shall be denied and paid by the cardholder.

7. Cardholder transactions shall be scrutinized by the cardholder’s immediate supervisor to ensure compliance with this Policy.

8. Infractions of the terms conditions of this Policy may result in suspension of credit card use privileges or cancellation of the card. Any charges for non-business purposes, or charges that are rejected for non-compliance with this policy are the responsibility of the cardholder in accordance with the terms and conditions of the cardholder agreement and must be paid within ten (10) days of written demand by the Authority.

9. Violation of this Policy can lead to disciplinary action against the cardholder. Additionally, in all cases of misuse of the corporate credit card, the Authority reserves the right to cancel the card and assist the credit card company in recovering any monies from the cardholder, including any legal or administrative charges/fees incurred. Cardholders will be required, as a condition of acquiring a new card or retaining an existing card, to sign a declaration authorizing the Authority to recover, from their salary, or annual leave balance (if they separate from the Authority) any amount incorrectly claimed or owed to the credit card company. Additionally, these matters may be referred for criminal prosecution.

10. A quarterly report will be submitted to the Authority's Internal Audit Department of any instances where the corporate card is used for personal changes.
V. Monthly Credit Card Charges and Statements

1. Corporate credit card expenditures must be reconciled by the cardholder with the Accounting Department within ten (10) business days (excluding holidays and weekends) of the credit card statement date. Cardholders who do not submit their monthly expenditures within ten (10) business days of the statement date may be sent a reminder by the Corporate Card Administrator of their obligations under this Policy. Continued or repeated non-conformance to this Policy will result in either suspension of privileges, cancellation of the credit card and such other actions as deemed appropriate.

2. If the credit card expenditures are not reconciled or paid within two (2) months of the statement date or a reasonable explanation for this failure has not been received by the Corporate Card Administrator, the corporate credit card will be cancelled and, the Cardholder will have to pay immediately all outstanding balances. Note that further action may also be taken against the cardholder per Section IV (3) (8) & (9) of this Policy.

3. Credit card charges must be paid each month. The Accounting Department will charge all WAPA related purchases and expenses for the month to the employee’s department primary operating account using the appropriate object code.

VI. Cardholder Responsibilities

1. Cardholders must seek approval of their monthly statements from a more senior authority. Cardholders cannot authorize their own statements nor have a subordinate counter-sign for them. In the event that a more senior officer is not available, the Cardholder must seek the approval of the Assistant Chief Financial Officer, Chief Financial Officer, Chief Operating Officer, or the Executive Director.

2. Cardholders must retain transactional evidence to support all business charges. The credit card statement is not acceptable and is not considered a receipt. An acceptable receipt for reimbursements of claimed business expenses on the corporate credit card is an original receipt.

3. Credit card purchases without original receipts may ultimately become the responsibility of the user. On the rare occasion where there is a failure to provide an original receipt, the cardholder must provide a sworn statement (i.e. affidavit) containing a detailed explanation for the unsupported expenditure and the reason the receipt was not submitted. The failure to provide either receipts or a sworn statement, will result in non-reimbursement of charges and/or suspension or cancellation of the card. Additionally, the failure to provide receipts on more than two (2) occasions
in the twelve month period following the first infraction may result in cancellation of the card.

4. Reimbursement for goods and/or services will be paid directly to the employee. Employees are responsible for paying all charges on the corporate card statement.

5. Employees who travel may claim either a per diem travel rate or a corporate credit card expense - not both. The per diem rate as indicated in the Authority’s Travel Policy applies. Travel expenses are claimed on one of either a travel expense claim, or actual costs are submitted on a Credit Card Transaction Payment Form. There shall be no duplication of the claims. Any travel-related claim made on a corporate credit card will be included on the Travel Expense Report to determine if a per diem payment has been made to the traveler. Eligible charges incurred on Authority business that are not covered by the per diem rate (e.g. accommodations, airfare,) will be covered for the Cardholder.

6. The Executive Director and Officers of the Authority are authorized to charge to the account of the Authority the cost of meals and beverages consumed in the course of meetings or for other legitimate business purposes. Directors are authorized to charge such cost upon written approval of the Executive Director. Provided however, that an accounting for such charges shall be made on a monthly basis in the travel expense report and the following information be included in such accounting: (1) the date and place of the charges; (2) the name of all entities and persons who received meals and/or beverages by virtue of said charges; and (3) the purpose of the meeting.

7. Lost or stolen cards must be reported immediately for cancellation to the Card Issuer Lost/Stolen Cards Unit. The Corporate Card Administrator must also be notified within two (2) business days of knowledge of this occurrence, or in the instance of loss or theft while conducting business off island, must be notified within two (2) business days of returning to the Authority.

8. Officers and employees of the Authority issued a corporate credit card are in a position of trust in regard to use of public funds. Improper or unauthorized use of the corporate credit card may result in the cardholder being held liable for expenditures, termination of the credit card use, and legal/disciplinary action being brought against the cardholder. Additionally, the matter may be referred for criminal prosecution.

9. Each month, a credit card statement is sent to cardholders, which lists the monthly expenses that were charged. Cardholders must review the statement and determine whether all business charges are legitimate Authority-related expenses. Cardholders should send payments to the Card Issuer for all expenses.

10. There may be expenses that were charged to the credit card by mistake, exigent or emergency circumstances, or due to fraudulent use of the card.
These charges must be immediately reported to the Corporate Card Administrator and to the Card Issuer. Additionally, the cardholder must notify their immediate supervisor.

11. Each employee assigned an Authority corporate credit card is responsible for the security of the card. Cardholders should verify that the credit card is in their possession at least monthly.

VII. Management and Supervisory Responsibilities

1. The cardholder's immediate manager or supervisor is required to verify all business transactions each month. This is required to ensure the transactions are business related and the cardholder has supplied sufficient supporting documentation. Any unusual transactions must be followed up with the cardholder immediately. Suspected breaches of Policy must be referred to Chief Financial Officer and the Corporate Card Administrator without exception.

2. Supervisors must review and sign the request for reimbursement for the cardholders they supervise. Their signature indicates that the business purchases are approved, that the cardholder was authorized to make the business purchases, and that the purchase is a legitimate business expense in accordance with Authority’s Policy. The signed statement must be submitted to the Accountant Department for processing of the payment.

VII. Records Management

1. All documentation associated with the application for a corporate credit card will be maintained with the Corporate Card Administrator.

2. Receipts for all credit card transactions will be retained by the Accounting Department. Cardholders must be able to produce receipts on-demand for audit purposes. Where electronic document management systems are available to record receipts and/or other evidence of business transactions, this is the preferred medium for storage.

IX. Audit

1. Random audit of cardholder purchases should occur on a monthly basis as expense reports are being approved. Additionally, Internal Audit and external auditors will carry out audits from time to time. All cardholders, supervisors, and all other employees associated with this Policy shall cooperate in all audits and provide any requested information necessary. All cardholders understand their cooperation is a condition of obtaining and maintaining a corporate credit card.
Appendix 1 – Procedures

A. Applying for a Corporate Credit Card

1. Officers and employees staff who meet the eligibility requirements of the Policy may seek an application for a corporate credit card through the Office of the Executive Director.

2. In addition to an application, a Cardholder User Agreement must be completed. All corporate credit card applications will be verified for completeness and accuracy by the Corporate Card Administrator prior to the ordering of the card. All applications that have not been accurately completed will be returned to the employee.

B. Renewal of Cards

1. Requests for replacement of lost or damaged cards are to be directed via memo to the Corporate Card Administrator.

2. Cards that are due to expire will receive a replacement in advance. Old cards must be destroyed and the replacement card signed by the Cardholder.

C. Reconciliation Procedures

1. The corporate credit card, although issued through the Authority, functions in the same way as any other personal credit card. The employee is personally responsible for paying all charges that appear on each monthly statement in a timely manner.

   In addition, each employee with a corporate credit card who fails to pay any personal charges approved by the Executive Director per the requirements of the Policy, or who fails to provide a receipt or justification for any charges to the credit card must sign a Payroll Deduction Authorization Form. This states that the cardholder is personally responsible for any charges (except for annual fees) on the card and the Authority may recoup any losses it incurs through payroll deduction.

2. To receive reimbursement from the Authority for business expenses charged to the corporate credit card, timely expense reports must be submitted to the Accounting Department.

   Cardholders must complete a Travel Expense Form and submit it, along with all required original receipts, (cardholders are not to include monthly statement as receipts), to their supervisors for approval. To be reimbursed, all charges must be supported by receipts and must be signed off by a supervisor. (See Sections IV, V and VII). The approved
Travel Expense Form must then be forwarded to the Accounting Department for payment.

- Travel Expense Forms submitted by Monday at noon, will normally result in the cardholder, receiving a check on the following Monday after 4:00 PM.
- In order to ensure reimbursement prior to receiving this cardholder’s monthly statement, a cardholder is encouraged to submit his or her expense report before receiving the monthly statements.
- It remains the cardholder’s responsibility to reconcile their monthly card statement and their requested reimbursements.

3. A monthly statement is mailed directly to the cardholder who is personally responsible for its prompt payment. The Authority will reimburse the cardholder, through the travel reimbursement process, for any charges incurred while on Authority business.

> Any late fees that are assessed due to untimely submission for reimbursement is the responsibility of the cardholder.

4. The full amount of the statement must be paid by the end of the billing cycle.

5. Each cardholder receives his/her own statement by mail to personal mailing address.

D. Receipts

1. Receipts for all credit card transactions will be retained by the Accounting Department upon submission by the cardholder. Cardholders must be able to produce receipts on-demand for audit purposes. Where electronic document management systems are available to save receipts and/or other evidence of business transactions, this is the preferred medium for storage.

E. Disputed Transactions

1. Disputed transactions must be resolved with the vendor and the Card Issuer by the cardholder. The cardholder must notify the Card Issuer immediately for resolution and further inform their immediate supervisor and the Corporate Card Administrator.

F. Internal Monitoring

1. Transactions will be monitored quarterly by the Corporate Card Administrator for a random group of cardholders. If the Corporate Card
Administrator discovers that a cardholder holds an outstanding debt for the monthly Statement, this information will be logged and forwarded to the cardholder for resolution.

2. If Cardholder’s account is in arrears for more than two (2) months, the issue will be brought to the attention of the Chief Financial Officer for further action. This action may include, but is not limited to the Accounting Department debiting the outstanding balance from the cardholder’s pay and, disciplinary and/or legal action against the cardholder, in addition to the suspension of charging privileges or the cancellation of the card.

G. Lost or stolen Cards

Lost or stolen cards must be reported by the Cardholder immediately to the Card Issuer, their immediate supervisor, and the Corporate Card Administrator per Section VII (7) of the policy.

H. Separation from Employment

1. Prior to separation of employment, the cardholder must finalize all expenditures on his/her credit card account.

2. It is the responsibility of the supervisor and the cardholder, to ensure that the cardholder’s account is settled prior to departure. Accounts in arrears for any personal expenses, or for business expense that cannot be justified will be offset against any final pay check or annual leave amount owed to the Cardholder. If a balance still exists, or if the Authority does not become aware of the balance until after the cardholder is given their separation pay, the matter will be referred for legal action.

3. The corporate credit card is the property of the Authority and must be returned to the Corporate Card Administrator. When the cardholder separate his or her employment with the Authority, the credit card must be returned to the Corporate Card Administrator prior to separation. The corporate credit card must be destroyed by cutting it in half, turning it in to the Corporate Card Administrator and ensuring there are no outstanding balances on the cardholders account.

- These actions must occur before the cardholder receives his or her final paycheck.

I. Late Submission of claim

See Cardholders Responsibilities and Internal Monitoring procedures above.
Cardholders User Agreement

Cardholder Name: __________________________

Position: __________________________

A Virgin Islands Water and Power Authority American Express Corporate Credit Card has been issued to me.

I understand and agree that:

1. I will bear ultimate responsibility for the Card and acknowledge that normal procedures of approval to incur expenditure, and of examination and authorization prior to payment of the Corporate Credit Card account will apply.
2. I will not use the Corporate Credit Card to withdraw cash.
3. Any use of the Corporate Credit Card for private expenses must be paid in full in accordance with the Monthly Statement. Failure to do so shall result in action as outlined in the Policy.
4. If I misuse the Card (i.e. use it otherwise than in accordance with the instructions given to me in this Agreement or related Policies) or otherwise fail to reconcile my expenditures within the prescribed time-frame, I authorize the Authority to recover the funds through either:
   - Payroll deductions
   - Withholding such amounts from my annual leave in the event of my departure from the Authority;
5. That use of the Card is subject to the guidelines of the Authority’s Corporate Credit Card, Procurement and Travel Policies, and that relevant financial Delegations will continue to apply.
6. If the Corporate Credit Card is lost or stolen I am to report it immediately to American Express and to the Authority.
7. If I resign and leave the Authority, I will return the Card to the Authority acquitting all expenditures prior to departure.
8. I understand that I must not mix per diems and actual expenses in my reimbursement claims. I may use per diems for meals and incidentals and actual costs for accommodations.
9. I accept responsibility to retain transaction receipts locally within my department and will make all receipts for all transactions available on demand for audit purposes.
10. "The Authority’s Corporate Credit Card Policy, which governs the issue and use of the Corporate Card in my name were made available to me.

I have received the American Express Corporate Card that has been issued in my name and accept all responsibility for the use of the card under the policies that have been explained to me. I understand that any deliberate abuse will result disciplinary action with the Authority.

__________________________________________
(signature of cardholder) __________________________ Date

__________________________________________
(signature of supervisor) __________________________ Date