

## Credit Card Procedure

<b>Owner</b>	FRAC	<b>Approval Date</b>	November 2019
<b>Approved by</b>	Board	<b>Review Date</b>	November 2021

### 1. Purpose

The purpose of this procedure is to clarify the use and ownership of UN Youth credit cards and ensure accountability in the use of credit cards. UN Youth maintain credit cards to expedite small value purchases and reduce the reliance on petty cash.

For the avoidance of doubt the term credit cards includes any vouchers, purchasing cards, debit cards, purchasing cards or any other instrument that allows the user to make purchases without two signatories approving payment

### 2. Principles

Credit cards will only be used when there is no other option for a purchase. Payment by bank transfer is always the preferred option.

Only UN Youth Volunteers shall be eligible to hold credit cards.

All spending on credit cards must be pre-approved and for proper purposes and not for personal use.

### 3. Practices

#### 3.1. Issue

The following officeholders will be issued a credit card at the beginning of their terms are:

Officeholder	Credit Card Limit
National President National Finance Officer (NFO)	\$1500
Regional Presidents National Event Coordinators (or a nominated Organising Committee member)	\$500
International Event Directors and Assistant Directors	\$1500

**Additional Credit Cards:** If any UN Youth Volunteers or Officeholders require the use of a credit card a request outlining the business reason and justification must be made to the National Executive through the NFO. The National Executive will review the application and by resolution can authorise the issue of a credit card with a limit of up to \$500. Note, no volunteer is entitled to a credit card by virtue of being an officer or officeholder of UN Youth NZ.

### **3.2. Cancellation**

The National Executive at its sole discretion may cancel or place a hold on any credit card issued to a Volunteer or Officeholder. The credit card holder will be informed at the earliest opportunity.

Upon the conclusion of a credit card holder's term, their credit card must be immediately returned to the NFO, who shall cancel the credit card.

### **3.3. Spending**

**Credit Card Budgets:** Prior to use of any UN Youth credit card a volunteer must submit a credit card budget to the National Finance Officer for approval by the National Executive. The credit card budget is an expansion of the ordinary event budget.

**Unbudgeted expenditure:** Any additional or unapproved items must be approved prior to the purchase by the National Executive

The National President and NFO may make purchases without approval provided the expense is less than 10% of the credit card limit and it is within their financial delegation. If the purchase is above this limit the credit card budget process must be followed. These purchases must be signed off retrospectively by the FRAC Chair.

**Emergencies:** For international and national events, in emergency situations, it may be impractical to obtain approval before the purchase, approval must be obtained as soon as possible after the fact.

**Receipts:** All payment card receipts must be retained and uploaded to Xero after the event. It is the responsibility of the named cardholder to ensure that this occurs. The National Finance Officer is responsible for ensuring purchases reconcile correctly with the credit card budget.

### **3.4. Limitations**

Improper use of the credit card may result in cancellation of the credit card. This includes but is not limited to:

- Purchase of items for personal use or in violation of this procedure
- Purchase of vouchers without written approval from the National President and National Executive
- Use of the credit card for cash advances
- Exceeding bank credit limit
- Splitting purchases into more than one transaction to avoid credit card limits.

A region or event using a credit card is liable for any overdraft fees which may be incurred if spending on the card exceeds the amount budgeted for.

## **4. Responsibilities**

The National Executive should, at their discretion, adopt further credit card protocols regulating the use of UN Youth credit cards.

The National Finance Officer must monitor compliance with the Procedure and report non-compliance to the National President and the Board

Credit card holders must comply with this procedure and any conditions or protocols introduced by the National Executive. They must also take all steps to comply with the terms and conditions of credit card use as stipulated by UN Youth's bank.

The Board must approve the total credit limit of UN Youth NZ, based on the recommendations of the NFO.