



SADC PARLIAMENTARY FORUM

CREDIT CARD POLICY

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1. POLICY BRIEF & PURPOSE

1.1. Pursuant to its objectives to promote good governance and accountability in the SADC Region, the SADC Parliamentary Forum strives to be a flag bearer for the same. One of the Forum's guiding principles, as espoused in its Strategic Plan 2019 to 2023 is "Respect for Financial Accountability and Transparency". As indicated in the Strategic Plan, the Forum harbours a robust financial accountability framework which adheres to the highest standard of good governance, integrity and transparency. The financial accountability of the Forum is moreover ensured by its internal control processes and the oversight exercised by its organs including the Finance Sub-Committee and the Plenary Assembly.

1.2. The SADC PF Secretariat is responsible for accounting for funds from Member Parliaments and donors, contributed for SADC PF's operations and various programmes and activities, and is cognizant of the fact that the funds are contributed from limited national resources with competing priorities.

1.3. In order to enhance accountability and transparency and prevent misappropriation of funds, the SADC PF has eliminated the use of cash to pay for its goods and services through adherence to a cashless policy. This is also in line with the current bank transaction systems that the Namibian banks and other banks in the region and at international level have introduced which encourage the use of secured electronic banking platforms. The use of Credit Cards is one such system.

1.4. The SADC PF may provide select employees with Corporate Credit Cards that shall be used strictly for business-related expenses. The use of Credit Cards provides an audit trail for expenditure and promotes the practice for cashless spending. Processing of payments while in transit and out of the office is also more efficient in view of the nature of SADC PF's business which may require such transactions from time to time. However, the nature of credit cards creates unique risks that require strict internal controls and processes to prevent misappropriation, and hence the need for this policy.

1.5. This Policy guides the management, use of and accountability for, the Credit Card. It is intended to inform eligible employees, and those responsible for authorising expenditure and approving the use of the Credit Card, of their limitations and responsibilities regarding the security, custody and use of the Credit Card.

1.6. The Credit Card shall be used only where the other established forms of payments are not possible.

2. SCOPE

This policy applies to all employees who are eligible to use the Credit Card. It also applies to employees who have the responsibility to approve expenditure and the use of the Credit Card.

3. MODALITIES FOR ISSUING THE CORPORATE CREDIT CARD

3.1. The institution will take out a credit card in an employee's name.

3.2. The pin for the Credit Card shall be known only to the employee holding the Card, and shall not be divulged to anyone else as per standard banking practice.

3.3. The employee will be required to seek written approval before using the Credit Card.

3.4. The employee will be responsible for ensuring adequate funds are available on the Credit Card by liaising with the Finance Department to settle any outstanding payments/charges. As far as possible, the Credit card should not be overdrawn, that is funds on the card should be such that there is no standing negative balance on which the bank can charge an interest rate. In this way, the credit card can be used on similar charges as a debit card for all transactions, including foreign ones.

3.5. The institution will be responsible for paying the Credit Card charges.

4. EMPLOYEE CREDIT CARD AGREEMENT

The employee will be required to sign and abide by a Credit Card agreement. This is to acknowledge that the credit card belongs to the institution and that the institution may process and investigate expenditure/charges on the Credit Card. The Agreement will also state that the employee understands the provisions of the Credit Card Policy, the responsibilities of the employee and the consequences for incorrect use.

5. ELIGIBLE OFFICERS

5.1. Director of Administration, Finance and Human Resources
5.2. Administrative Officer (in charge of Procurement)

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5.3. Accountant: Creditors, Debtors & Asset Management (For segregation of duties as he/she is not involved in processing of EFT payments)

6. RESPONSIBILITIES OF THE CARDHOLDER

6.1. The employee shall be held responsible for the security of the card as well as the privacy of any information related to the company. In this regard, the employee shall ensure that the card is kept in a safe location, the card account is free from fraudulent activities and the card's number is kept private. The employee shall report a stolen or lost Credit Card to the bank and to the Finance Department immediately.

6.2. The Credit Card shall only be used by the designated employee and not any other individual.

6.3. The Credit Card shall not be used on individual/personal expenses under any circumstances. The usage of the card should be limited to business-related activities only. In this vein, use of the credit card for a personal expense with refund by the employee afterwards shall be considered as an infringement of this policy.

7. APPROVAL OF ACTIVITIES OR TRANSACTIONS WHICH REQUIRE PAYMENT BY THE CREDIT CARD

7.1. Activities or transactions that require payment by Credit Card shall be approved by the Secretary General.

7.2. The request for use of the Credit Card shall be processed through the Director of Administration, Finance and Human Resources.

8. CREDIT SPENDING LIMITS

8.1. The limit per transaction shall be U$2,000.

9. SUBMISSION OF EXPENDITURE RECEIPTS

9.1. Expenditure receipts and a summary of the expenditure should be submitted not later than 7 days after the expenditure is incurred. In the event that the employee is travelling and out of the office beyond the 7 days, copies of the receipts shall be sent via email and originals submitted on return to the office.

9.2. Employees must initial original receipts and indicate the purpose of the expense on the back of each receipt.

9.3. The accounting department should verify the authenticity of all the receipts and other expenditure documents submitted by the employee.

10. MONTHLY USAGE REPORT

10.1. Monthly Usage Reports are intended to hold employees responsible and accountable for the company credit card usage.

10.2. At the end of each month, the employee shall submit a detailed report of all expenditure, charges, receipts, and applicable accounting codes for that month. The Report must contain the Credit Card statement of the bank, with additional details by the employee if necessary, and must be signed by the employee.

10.3. The employee shall ensure that copies of the expenditure receipts are attached to the monthly statement before submission to the Director of Finance, or the designated Accounting Officer.

11. MONITORING ARRANGEMENTS WITH THE BANK

11.1. The employee shall be required to ensure electronic notifications from the bank for any transactions on the Credit Card.

11.2. Where possible, the SADC PF will in addition set up monitoring rights with the bank to enable online review and notification of all transactions, including any unusual activity.

12. DIS-ALLOWABLE EXPENSES

The following expenses are dis-allowable (this list is not exhaustive)

i. non-authorized expenditure;
ii. personal expenses or advances;
iii. cash withdrawal; and
iv. alcohol, drugs, weapons, pornography, adult entertainment.

13. REPERCUSSIONS FOR USING THE CARD INAPPROPRIATELY

13.1. Disciplinary Action, including dismissal, subject to the provisions of the Administrative Rules and Regulations.

13.2. Cancellation of the Credit Card.

13.3. Recovery of unauthorised expenditure/disallowable expenditure from the employee's salary.

14. RIGHT TO WITHDRAW A CREDIT CARD FROM AN EMPLOYEE

SADC PF reserves the right to withdraw a Credit Card from an employee at any time.

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15. CANCELLATION ON TERMINATION OF EMPLOYMENT/EXPIRY OF EMPLOYMENT CONTRACT

15.1. On termination of employment or expiry of employment contract, the employee shall be required to return the Credit Card to SADC PF, with a final reconciliation of all expenditures prior to departure.

15.2. The Credit Card shall then be cancelled and destroyed in the presence of the employee.

15.3. Any disallowed expenditure shall accordingly be deducted from the employee's terminal pay. In the event that the terminal pay is lower than the disallowed expenditure, the employee shall be responsible for paying the institution the difference.

16. EFFECTIVE DATE

This Credit Card Policy shall be effective from 26th May 2020

Signed:

Boemo M SEKGOMA
SECRETARY GENERAL

26 / May / 2020
DATE

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CORPORATE CREDIT CARD AGREEMENT

Employee Name: _____

Position: _____

Card Number: _____ Expiry Date _____

Issuing Bank: _____

I understand and agree that:

a) I understand that although the Corporate Credit Card is issued in my name, it remains the property of the SADC Parliamentary Forum.

b) I bear ultimate responsibility for the security, custody and use of the Corporate Credit card.

c) I will use the Corporate Credit Card for duly authorised expenditure only.

d) I will not use the Corporate Credit Card to withdraw cash.

e) I will not use the Corporate Credit Card for personal expenses/advances and will use it only for official business on behalf of the company.

f) If I misuse the Corporate Credit 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 procedures and timeframe, I authorize the company to recover the funds through payroll deductions for any amounts incorrectly claimed or for reconciliations that are one month in arrears of the statement date.

g) I understand that misuse of the Credit Card with the intention to defraud may result in dismissal.

h) If the corporate credit card is lost or stolen, I will report it immediately to the Director of Administration, Finance and Human Resources.

i) If I resign from the company, or on expiration or termination of contract, I will return the card with a final reconciliation of all expenditures prior to departure. Any disallowed expenditure will accordingly be deducted from

my terminal pay. In the event that my terminal pay is lower than the disallowed expenditure, I shall be responsible for paying the institution the difference.

j) I understand that SADC PF reserves the right to withdraw and cancel the Corporate Credit Card issued in my name.

SIGNATURE OF EMPLOYEE	**DATE**
WITNESS	**DATE**
SECRETARY GENERAL	**DATE**

