

Corporate Card Guidelines

Established Jan. 1, 2001

Amended May 13, 2013

Article 1 (Purpose) These guidelines set forth various matters concerning the management and use of corporate cards in order to ensure transparency in operation and promote a more sound use of corporate cards.

Article 2 (Definition) The terms used in these guidelines shall be defined as follows:

1. "Corporate card" shall refer to a credit card issued by a credit card company or a financial institution whose account holder is either Pohang University of Science and Technology or the POSTECH Research & Business Development Foundation.
2. "Clean card" shall refer to a corporate card whose use at certain establishments classified as a special type of business is strictly prohibited.

Article 3 (Scope of Use) ① A corporate card shall be used to pay for meeting expenses, official expenditures, purchases, and other expenses related to education and research activities.

② Wire transfer may be used instead, however, if any of the following evidentiary documents is submitted pursuant to Article 116, Clause 2, Items 2-4 of the Corporate Tax Act, or when it is difficult to make a credit card transaction for an item.

1. Tax invoice
2. Invoice
3. Cash receipt

Article 4 (Card Holder Eligibility) Corporate cards shall be issued to the following persons:

1. Anyone who falls into the category provided in Article 3, Clause 1 of the Regulations on Faculty Personnel Management shall be issued a corporate card. Also, a non-tenure-track faculty member to whom the University has exceptionally granted the status of a principal investigator as set forth in the Detailed Rules on Non-tenure-track Faculty Personnel Management shall be issued a corporate card by applying the same standard as a tenure-track or tenured faculty member.
2. Senior executives and the heads/directors of the department/units entitled to a budget allocation

Article 5 (Standards for Issuance) ① One corporate card shall be issued per person as a rule (applicable to senior executives and directors/heads of more than one unit as well). If the director/head of an applicable unit makes a request for an additional corporate card out of necessity, however, an additional corporate card may be issued following a review on the validity of the request by the unit in charge of accounting.

② When a need arises for new corporate cards because of new hires or change of positions, new corporate cards shall be issued upon request by the applicable departments/units.

③ In order to enhance transparency of use and prevent illegitimate use, corporate cards for the University and the POSTECH Research & Business Development Foundation shall be issued as clean cards. However, to certain users (departments/units) that cannot use a clean card because of the nature of the business they conduct, a corporate card without the clean card feature may be issued through a separate approval procedure.

Article 6 (Spending Limit and Standards of Use) ① The monthly spending limit for each corporate card shall be KRW 10 million. The spending limit, however, may be raised or reduced if necessary upon approval by the President.

② Payment with a corporate card must be made within the relevant approved budget.

③ A corporate card must be used for official purposes only; using it for anything other than its stated purposes shall be prohibited.

④ As a rule, one shall not be allowed to use a personal credit card for business expenses in anticipation of reimbursement from the University. However, in the event one uses a personal credit card in unavoidable circumstances and seeks a reimbursement from the University account, he/she must make a request for reimbursement by attaching a statement of reasons approved by the head/director of his/her department/unit.

⑤ Use of a corporate card in entertainment or gambling establishments including disguised

establishments (which are entertainment establishments in practice but operate falsely as a restaurant, etc.) shall be restricted.

Article 7 (Accounting Process) The accounting process for corporate cards shall be as follows:

1. The department/unit which made a credit card purchase shall verify the transaction details and the evidentiary document for the purchase and generate a transaction document by assigning the transaction to an appropriate budget category. Upon acquiring the approval of the head/director of the department/unit or the principal investigator, a request for payment shall be made to the department in charge of accounting.
2. The department in charge of accounting shall pay the amount owed to the credit card company on the due date after reviewing the transaction document.

Article 8 (Administrative Matters) ① When a corporate card can no longer be used because of a card holder's resignation or change in position, the card holder must request an administrative action after completing the settlement of account for any remaining balance in cooperation with the relevant department and return the corporate card to the department in charge of accounting.

② If a settlement of account for a corporate card is not completed within two months of a transaction, administrative actions including suspension of the card may take place.

Article 9 (Monitoring of Corporate Card Usage) The department in charge of accounting shall review the details of corporate card usage to verify whether or not a corporate card is being used appropriately. If illegitimate use is found, appropriate follow-up measures shall be taken.

Article 10 (Workflow) For workflow involving corporate cards, one shall refer to Form 1 (attached).

Addendum

These guidelines shall be established and take effect on January 1, 2001.

Addendum

These amended guideline shall take effect on May 13, 2013.

(Form 1)

