

Annex A – Acquisition Cards and Consequences for Misuse or Personal Use

Number of Occurrences of Misuse (or other actions in contradiction to the policy)	1	2 (a 2 nd instance that occurs within 1 year of card reinstatement from the first occurrence)	3 (a 3 rd instance that occurs within 2 years of card reinstatement from the first occurrence)
Communication with Cardholders and other Stakeholders	The cardholder will receive a warning to advise them of the consequences of re-occurrence. If the misuse involves a personal purchase made with the AC, Integrity Services are made aware (National Accounting Operations is also made aware if the purchase requires reimbursement).		
Requirements and Monitoring	The cardholder will be required to review ESDC's AC Policy and retake the mandatory AC departmental training. All cardholders under the Cost Center (CC) Manager will be monitored on 100% of transactions for a period of 1 year. If the cardholder is assigned to a new CC Manager, the new manager is made aware of the number of instances of misuse that have occurred and the cardholder will continue to be monitored for the remainder of the 1-year period.		
Amount of Time the Card is Suspended	A new application must be signed by both the cardholder and CC Manager stating the number of instances of misuse that have occurred before a suspended card can be reinstated.		
	Card is suspended for a period of 1 month (the training must be successfully completed within the month prior to the card being reinstated).	Card is suspended for a period of 1 year (the training must be successfully completed within the month prior to the card being reinstated).	The cardholder will not be eligible to have a departmental acquisition card for an indefinite period of time.*
Superiors Notified of the Misuse	The cardholder's CC Manager and Director General (DG) are both notified.	The cardholder's CC Manager, DG and Assistant Deputy Minister (ADM) are all notified.	
<p>Cases of misuse consider all cardholders under specific CC Managers;</p> <p>Revoking section 34 delegated authority: If 3 or more instances of misuse take place under an CC Manager, the CFO may recommend to the branch in question that the CC Manager's section 34 delegated authority be removed for an indefinite period of time. As per ESDC's Policy on the Delegation of Financial Signing Authorities and Specimen Signatures (section 4.2.6), the authorities delegated by the Minister and Deputy Minister to a position can be revoked by the superior of the position if it is determined that the delegated authorities are being abused. In this case, Labour Relations within HRSB should be consulted prior to any action being taken.</p> <p>Performance Management Appraisal (PMA): If more than 1 instance of misuse occurs over the period of time being assessed, it will be recommended that instances of misuse be referenced in both the cardholder's and the CC Manager's PMAs. Management should, when errors or concerns are identified, consult with their Regional Labour Relation Manager. A discussion should occur prior to the manager formally communicating with the cardholder to ensure all communications are prepared accordingly and in the right sequence of time.</p> <p>Integrity Services: In certain situations (when relevant), ESDC's Integrity Services Branch will be informed when the investigation is complete and the allegation(s) of misuse or personal use of the departmental acquisition card are founded.</p>			
<p>*The applicant's ADM must sign any application for a card being issued to a cardholder after 3 instances of misuse. The application must provide clear and compelling rationale as to why this particular person should receive a new acquisition card. These applications can only be approved by the Director overseeing the National Acquisition Card Program.</p>			