How to Use a Chapter Debit Card

Over the past several years, Alpha Kappa Psi has seen an alarming increase in embezzlement cases. Many times, the issue comes with use of the chapter debit card. This document is designed to help chapters utilize their chapter debit card correctly and avoid misappropriation of funds, misuse of the debit card, and embezzlement. The solution is simple; do not utilize a card at all. However, many times this is an unreasonable request. The tips listed below are not a mandate nor all-inclusive of every scenario, but they have been beneficial in protecting a chapter’s assets.

- Open an account prohibiting ATM withdrawals and debit card transactions.
- Never use a debit card to withdraw cash from an ATM machine or to receive cash back at a store terminal.
- Destroy the PIN number so it is unusable.
- Chapters should avoid cash transactions if possible. If the chapter must pay cash, have a member pay for the items and get reimbursed using proper receipts and record keeping. Use the authorized expense reimbursement procedure established by the chapter.
- Have the Chapter/Faculty Advisor hold on to the card at all times and institute a check out system to request the card. The Advisor should keep a log of use. If a card is lost/not-returned, the person holding the card at the time of loss is responsible.
- Only use the card to pay your dues and fees to the Heritage Center via the website or over the phone. Other expenses should be paid by individuals and reimbursed using the expense reimbursement procedure established by the chapter.
- Do not use the card for a mix of chapter and personal charges. If you’re going to use the card at a store, only purchase items for chapter use. These receipts should be kept in the chapter accounting files and labeled with their purpose (recruitment, professional event, social, etc.). This makes it easier for the treasurer to code and enter the receipts.
- Keep detailed and itemized receipts for all purchases. Transactions made at stores without receipts are signs of misuse of the card. If this occurs, the chapter treasurer will be held responsible and will be expected to pay back the funds to the chapter.
- Run all funds through the university organization accounts. Never utilize an outside checking or savings account.
- Keep the checking account funds to an operational minimum, transferring money from savings when needed.