Purpose

Provide instructions for the use of University Purchasing Cards.

Scope

This procedure applies to Council and staff members of the University using a University Purchasing Card and/or with key responsibilities under the Purchasing Card Policy.

Specific actions include:

• How To Apply For A Purchasing Card
  1. Eligibility for Purchasing Cards
  2. Card Application
  3. Card Issue
• Card Use
• Purpose
• Purchasing Card Policy Compliance
• Purchasing Requirements
• Restrictions on Card Use
• What to do if Your Card Is Lost or Stolen
• Card Suspension or Cancellation
• Monthly Card Statement Acquittal
1. Cardholder Card Statement Acquittal
2. Approval of Monthly Card Statement by Certifying Officer

Definitions

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accountable Officer:</td>
<td>Staff member responsible for the operation of the card facility as appointed under the Purchasing Card Policy.</td>
</tr>
<tr>
<td>Account Codes/Cost Centres:</td>
<td>General ledger codes used to identify accounts.</td>
</tr>
<tr>
<td>Audit and Risk Committee:</td>
<td>Committee of University Council.</td>
</tr>
<tr>
<td>Card Administrator:</td>
<td>Financial Services Administration Officer responsible for day to day Purchasing Card administration.</td>
</tr>
<tr>
<td>Cardholder:</td>
<td>Authorised holder of Purchasing Card in accordance with the Purchasing Card Policy / Procedure.</td>
</tr>
<tr>
<td>Card Provider:</td>
<td>Financial Institution contracted to provide the University Purchasing Card facility.</td>
</tr>
<tr>
<td>Certifying Officers:</td>
<td>Chancellor, Deputy Chancellor, Vice Chancellor and President, Deputy Vice Chancellors, Chief Operating Officer/CFO, Executive Deans, Directors, and Managers with financial delegations and responsibility for reviewing relevant 'Cardholders' transactions and approving payment. The Certifying Officer must be the card holder's authorising supervisor or more senior line manager.</td>
</tr>
<tr>
<td>Council Member:</td>
<td>Member of University Council other than a staff member of Council.</td>
</tr>
<tr>
<td>Designated Purchasing Officer:</td>
<td>Faculty/Section staff member with significant purchasing functions. HEW 2 - 4 or equivalent as approved under Section 2. Delegations to Persons or Bodies of Persons the &quot;Delegations - Contracts, Financial, Staffing and Tenders Policy&quot;.</td>
</tr>
<tr>
<td>Financial Delegate:</td>
<td>Council or staff member with an approved Financial Delegation in accordance with Section 2 of the Delegations - Contracts, Financial, Staffing and Tenders Policy.</td>
</tr>
<tr>
<td>Financial Operations Central Purchasing Officer:</td>
<td>Staff member within the Financial Services Section with responsibility of Central Purchasing Officer for authorised expenditure only.</td>
</tr>
<tr>
<td>Gift Card/Voucher:</td>
<td>A gift card or voucher is a restricted monetary equivalent or scrip that is issued by retailers or banks to be used as an alternative to a non-monetary gift.</td>
</tr>
<tr>
<td>Gratitude:</td>
<td>A Gratuity is a token offering provided in return for a voluntarily service as a sign of appreciation for providing the service. There must not be any expectation of payment of value by the recipient for the service they provide, at the time of providing the service.</td>
</tr>
<tr>
<td>Official Purposes:</td>
<td>Purposes in direct connection with or as a direct consequence of the functions and duties undertaken by a Council Member or staff member of the University.</td>
</tr>
<tr>
<td>Program Administrator:</td>
<td>Responsible for providing procedural, administrative and systems support for all staff.</td>
</tr>
<tr>
<td>Voucher:</td>
<td>A Voucher is a Gift voucher, food voucher, book voucher, gift card, movie ticket, movie money, entry pass or any similar voucher, ticket or right.</td>
</tr>
</tbody>
</table>
Eligibility for Purchasing Cards

A card may be issued to a Council or staff member where:

- The Council or staff member’s functions and duties involve regular procurement on behalf of the University.
- The Council or staff member has a financial delegation and obtains approval from their Certifying Officer and the Accountable Officer or Program Administrator.
- The staff member is not a casual or sessional employee.

Card Application

Application forms are available from the Card Administrator. All applications must be completed in full, approved by the Certifying Officer and returned to the Card Administrator for approval by the Accountable Officer or Program Administrator.

Card issue

The Cardholder must personally collect the card from the Card Administrator. Upon receipt, the Cardholder will receive instructions regarding the correct use of the card, and is required to sign the back of the card in the presence of the Card Administrator.

The Cardholder must sign an undertaking (‘Purchasing Card Agreement and Acknowledgement by Cardholder’) which lists the Cardholder’s obligations.

The Card Administrator is to co-sign the forms and provide the Cardholder with a copy for future reference.

Card Use

Purpose

The card is to be used for official purposes only. This means that the Card is to be used for purposes that are in direct connection with, or as a direct consequence of, the Cardholder’s functions and duties within the University. Cardholders in doubt as to the official or unofficial nature of a particular transaction must take advice from their Certifying Officer prior to the expenditure being incurred.

Purchasing Card Policy Compliance

Cardholders must comply with the Purchasing Card Policy and these procedures and should also be familiar with the contents of all relevant card documentation as provided by the card provider.

Purchasing Requirements

The Cardholder must:
• obtain sufficient supporting documentation in relation to each transaction made using the card to substantiate and properly acquit purchases, including:
  • original receipt / tax invoice and merchant sales docket, with sufficient descriptive detail of the purchase. (Descriptions such as ‘goods’ or ‘consumables’ are inadequate);
  • copy of travel diary entries to support travel related expenses in accordance with the Travel Policy requirements for maintaining travel diaries.
• promptly follow up discrepancies on the statement and advise the Card Administrator;
• ensure acquired goods and services are actually delivered or provided;
• follow up to ensure credits on the card are raised where, for example, an item was returned, or not delivered or provided in accordance with original expectations;
• ensure the completed monthly statement and supporting documentation has the required descriptions, account codes, FBT and GST details and is submitted to the Certifying Officer for approval within 5 working days of the end of the billing cycle.

Restrictions on Card Use

Transaction and Card Limits

Standard financial limitations will apply, according to the table below. These limits are subject to restrictions on the types of goods and services for which a cardholder may use the card.

Other limits include:
  • Card transaction limits will not exceed card holder’s financial delegation.
  • The card is not to be used to obtain cash, traveller’s cheques, pre-paid phone cards, pay traffic infringements or other fines, or for the payment of tips.
  • Splitting of expenses into more than one invoice to ensure that limits are not exceeded is not permitted.
  • Restrictions may be applied to the types of goods and services available for individual cards.
  • On Campus transactions/purchases are not permitted

<table>
<thead>
<tr>
<th>Cardholder Category</th>
<th>Transaction Limit</th>
<th>Monthly Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chancellor (including Vice-Chancellor and President)</td>
<td>$10,000</td>
<td>$25,000</td>
</tr>
<tr>
<td>Deputy Vice-Chancellors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chief Operating Officer/CFO</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deputy Chancellor</td>
<td>$5,000</td>
<td>$15,000</td>
</tr>
<tr>
<td>Directors of Sections</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Council Member Financial Delegate</td>
<td>$2,500</td>
<td>$15,000</td>
</tr>
<tr>
<td>Designated Purchasing Officer-Frequent User *</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Designated Purchasing Officer-Non Frequent Users *</td>
<td>Up to $1,000</td>
<td>Up to $5,000</td>
</tr>
</tbody>
</table>

Warning - Uncontrolled when printed! The current version of this document is kept on the FedUni website.

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CRICOS Provider Number: 00103D
<table>
<thead>
<tr>
<th>Cardholder Category</th>
<th>Transaction Limit</th>
<th>Monthly Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Services Central Purchasing Officers</td>
<td>$10,000</td>
<td>$25,000</td>
</tr>
</tbody>
</table>

* Frequent / Non Frequent Users are as determined by the Chief Operating Officer/CFO.

The Accountable Officer or Program Administrator may approve short term increases if supported by a business case (e.g. travel requirements).

**Internal University Purchases**

Cardholders are prohibited from using University purchasing cards for transactions/purchases on Campus.

Any official purchases made through a FedUni provider eg: FedUni Store, The Hub, etc must be made by using the FedUni Internal Store cards provided. These will generate a internal charge between the relevant areas.

**Official and Unofficial Purposes**

Expenditure for purposes other than official purposes such as personal expenditure is not allowed under any circumstances. If official and unofficial expenditure occur on a single bill, Cardholders must settle all unofficial expenses prior to charging the balance on the card (for example, personal accommodation or charges that are in addition to business related expenditure such as the costs associated with an accompanying partner or family member(s) must not be paid using a University Purchasing Card).

**Gifts and Flowers**

Gifts may be provided to welcome guests, facilitate the development of business relationships or outcomes. Any gift proffered must be reasonably seen as a gesture or token of goodwill in the circumstances and should be in line with community expectations and standards in terms of cost, scale, modesty and suitability.

The purchase of gifts or flowers for staff who are leaving the organisation or are ill, must seek advice and prior approval from their DVC, Dean or Director level or above. These purchases have been capped to a value of $75.00 or below.

Cardholders who are in doubt as to the private or official nature of a particular transaction must contact the Card Administrator prior to making any purchases.

Gifts or flowers to staff, family or associates may attract FBT. If unsure further advice from the Associate Director Financial Accounting & Systems is to be undertaken.

**Gift Cards, Vouchers, Movie Money and Entry Passes**

The issue and use of a Voucher should be restricted to students, research participants, focus group members and volunteers.

Staff are not to be issued Vouchers for services they provide to a program during normal working hours, as they are already remunerated for this period of service to the University.

**Issuing Vouchers to staff is likely to raise a Fringe Benefits Tax liability.**

Vouchers should not be used as a method of making payment to someone as value for services rendered.
Recording the use of Vouchers and Vouchers held for use

All uses of University funds is required to be substantiated, the purchase and issue of a Voucher as a Gratuity must be substantiated using a Gratuities Register.

The Gratuities Register form is available from the Finance Forms webpage.

It is recommended that the completed Gratuities Register is kept with the financial records of the program requiring the Vouchers.

A completed gratuities register can be stored electronically with the projects records.

A Gratuities Register must include:

• The name of the business which issued the vouchers
• The Voucher identification number or reference
• The value of the Voucher in Australian Dollars
• The name of the Faculty/Section purchasing the Vouchers
• The University finance system Dept or Project code to which the cost has been posted
• The University purchase order number
• The University officer responsible for the program requiring the Vouchers
• The University officer responsible for holding and issuing the Vouchers
• The reason or purpose for the need to issue Vouchers
• The date the Voucher was issued
• The name, contact details and signature of the recipient of the Voucher

A Gratuities Register can take the form of a single continuous list of Voucher details and recipients or it can be a collection of single page recipient signature forms.

The number and value of Vouchers held must be recorded and certified by the University officer responsible for the program requiring the Vouchers.

Certification must be completed on a quarterly basis, as of the last business day of the month for the months of March, June, September and December each year.

A signed and dated copy of the certification must be forwarded to Finance no later than the last business day of the month following the month of certification.

A certification must include:

• The name of the business which issued the vouchers
• The Voucher identification number or reference
• The value of the Voucher in Australian Dollars
• The name of the Faculty/Section purchasing the Vouchers
• The University finance system Dept or Project code to which the cost has been posted
• The University purchase order number
• The University officer responsible for the program
• The University officer responsible for holding and issuing the Vouchers
• The reason or purpose for the need to issue Vouchers

Purchasing Vouchers

Vouchers must only be purchased for official University purchases only.
The purchase of **Vouchers** is subject to the University procurement Policy and Purchasing Thresholds.

**Securing Vouchers**

**Vouchers** should be secured and stored in a locked tamper proof storage place, preferably a Safe.

**What to do if your card is lost or stolen**

**Cardholders** must report lost or stolen cards to the issuing bank immediately and notify the **Card Administrator** no later than the next working day.

**Card Suspension or Cancellation**

Cards may be suspended or cancelled in the following instances:

- **Lost or Stolen Cards** - must be cancelled with the issuing bank by the card holder.
- **Inactive Cards** - will be reviewed and cancelled if no longer required.
- **Change in Employment or Termination of Employment** - The card is to be returned to the **Card Administrator** if the **Cardholder** assumes duties in another position which no longer warrants use of the card facility, or upon resignation. If a **Cardholder** is on extended leave, secondment or long-term higher duties in another position, i.e. in excess of three months, arrangements should be made with the **Card Administrator** for temporary return of the card. Where a **Cardholder** is employed in a different School or Section, it is the cardholder's responsibility to advise their new manager that they are a card holder and seek approval to continue as a **Cardholder**. The **Cardholder** must also advise the **Card Administrator** of the change in employment and / or Purchasing Card requirements.

- **Breach of Purchasing Card Policy or this procedure** - may result in card **Suspension or Cancellation** as determined by the **Accountable Officer**.

**Monthly Card Statement Acquittal**

Completed monthly statements are to be certified and returned to the **Card Administrator** within 14 working days of the end of the billing cycle.

**Cardholder Card Statement Acquittal**

Each **Cardholder** must ensure they complete the monthly card statement within 5 working days of the end of the billing cycle and submit it to their Certifying Officer for review. Each transaction appearing on the statement is to be acquitted as follows:

- The transaction is matched to the original tax invoice / receipt and merchant documentation;
- A description detailing the nature of the purchase and business relevance is entered on the statement (e.g. a description of 'goods' is not acceptable);
- Indicate whether or not GST applies to the transaction (where the purchase occurred in Australia) and if a tax invoice or receipt has been obtained.
- Where the purchase relates to entertainment or meals (other than meals incurred for travel related purposes) the **Cardholder** is required to indicate the number of staff / family member/s and the number of clients or students in attendance. This information is required for fringe benefits tax (FBT) purposes.
- A copy of the Travel Diary entry is attached where relevant.

In exceptional circumstances where supporting documentation cannot be obtained the following may be accepted:
For expenditure less than $75.00 excl GST or $82.50 incl GST a written explanation detailing the purchase and the reasons why there is no original documentation available, or

For expenditure greater than $82.50 a Statutory Declaration with details as above.

If the card has been inadvertently used to pay for expenses already claimed (or will be claimed) such as expenses covered by travel allowance (e.g. cash advance or per diem), the Cardholder is to repay these amounts and report the matter to the Card Administrator.

The statement must be signed by the Cardholder to verify that the transactions have been made for official purposes.

Documentation which remains unsubstantiated 90 Days from the end of billing cycle will be invoiced to the Cardholder.

Approval of Monthly Card Statement by Certifying Officer

Certifying Officers are nominated to review and authorise a Cardholder’s monthly statement. The Certifying Officer is usually the Cardholders authorising supervisor or a more senior line manager.

The Certifying Officer should receive the Cardholders completed statement and supporting documents within 10 working days of the billing cycle thus allowing four working days for the documents to be certified and returned to the Card Administrator.

The Certifying Officer is responsible for ensuring:

• All requirements of the Purchasing Card Policy and this procedure have been met.
• Certification is completed and all documentation has been forwarded to the Card Administrator within 14 working days of the end of the billing cycle.

If the Certifying Officer cannot approve all expenditure attributable to their cost centre(s) within the required timeframe, the Card Administrator is to be informed of the circumstances and alternative arrangements made.

If a Cardholder cannot substantiate purchases to the required standard in accordance with the Cardholder Card Statement Acquittal requirements, the Certifying Officer must report the incident to either the Card Administrator or the Program Administrator.

Discipline

Use of a Purchasing Card for personal or unauthorised purposes will be investigated by the Accountable Officer. Improper use of Purchasing Cards may result in the Cardholder being liable to criminal prosecution, disciplinary or legal action.

Purchasing Card expenditure will be regularly reviewed for compliance with University Policy and procedural requirements and a written report of any breach will be submitted to the Accountable Officer for determination and management of the outcome. Breaches and their subsequent follow up and management will be reported to the Audit and Risk Committee.

Breaches include exceeding transaction limits, personal expenditure, failure to acquit expenditure in the required timeframe, failure to substantiate purchases to the required standard and exceeding financial delegation.

Responsibilities
Manager, Financial Services has responsibility for the maintenance of this procedure.

**Policy Base**

- Purchasing Card Policy.

**Associated Documents**

- Delegations - Contracts, Financial, Staffing and Tender Policy.
- Procurement of Goods and Services Policy.
- Purchasing and Procurement Procedure.
- Physical and Intangible Assets Policy.
- Travel Policy, Procedure and Guidelines.
- The National Australia Bank "Conditions of Use" - The Card Issuing Bank has been appointed as the provider of the Purchasing Cards and no other card is permitted.
- Department of Treasury and Finance "Purchasing Card Rules for Use and Administration" - whilst the University is not bound by these guidelines, there is an obligation to meet these conditions as a benchmarked standard.
- Fraud & Corrupt Conduct Control Policy & Procedure.

**Forms.**

- [Purchase Card Application Form](DOC 661.5kb)

**Forms/Record Keeping**

<table>
<thead>
<tr>
<th>Title</th>
<th>Location</th>
<th>Responsible Officer</th>
<th>Minimum Retention Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application for Purchasing Card Form</td>
<td>Financial Services</td>
<td>Administrative Officer, Financial Services</td>
<td>5 years</td>
</tr>
<tr>
<td>NAB Visa Purchasing Card Cardholder Request Form</td>
<td>National Australia Bank</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Purchasing Card Agreement and acknowledgment by Cardholder</td>
<td>Financial Services</td>
<td>Administrative Officer, Financial Services</td>
<td>5 years</td>
</tr>
<tr>
<td>Bank Conditions of Use</td>
<td>Issued to Cardholder</td>
<td>Administrative Officer, Financial Services</td>
<td>N/A</td>
</tr>
<tr>
<td>Purchasing Card Activity Statement and supporting documentation.</td>
<td>Financial Services</td>
<td>Administrative Officer, Financial Services</td>
<td>5 years</td>
</tr>
</tbody>
</table>

**Implementation**

The implementation of the [Purchasing Card Procedure](#) will take place in the following format:
1. The National Australia Bank will be advised and an extension to facility limits will be applied for.
3. All card holders will be advised by email of the Procedure update.
4. An information card will be sent to all cardholders.