

# Corporate Credit Card Policy

## Section 1 - Purpose and Context

(1) The University Corporate Credit Card is an alternative purchasing and payment system which improves payment performance, simplifies clerical processes, provides more effective cash management and enhances service delivery. The system is specifically designed for, but not restricted to, high volume but low value (usually less than \$1,000) transactions.

(2) This policy sets out the principles and responsibilities for obtaining and using a Corporate Credit Card.

(3) The University has adopted standards and processes that will ensure its credit card system achieves the stated objectives while allowing the University to remain diligent in ensuring all related expenditure is legitimate.

(4) The benefits to using a Corporate Credit Card include:

- a. For the University and employees:
  - i. less paperwork;
  - ii. faster receipt of goods and services;
  - iii. increased flexibility;
  - iv. reduced need for staff to incur minor business expenditure using their own funds;
  - v. reduced purchase processing costs from a reduction in requisitions, orders, invoices, cheques and petty cash; vi. prompt recording of financial transactions; and/or vii. improved purchasing and management information capacity.
- b. For suppliers: i. prompt payment; ii. improved cash flow; and/or iii. reduced invoicing and collection costs.

(5) The Corporate Credit Card system has two main components:

- a. Mastercards and credit facility supplied by a nominated credit provider;
- b. Expense management system used by Credit Card Holders and the Finance Office for accounting purposes and control of credit card data.

## Section 2 - Definitions

(6) For the purpose of this policy:

- a. ABN - refers to the Australian Business Number that should be displayed on the receipts/tax invoices of all suppliers operating a business in Australia.
- b. Accounts Payable Supervisor - refers to the employee in the Finance Office who manages the credit card system.
- c. Allocate/Allocation - refers to the process of charging expense transactions to Entities, Cost Centres, Projects and Campuses within TEMS.
- d. Approver - refers to a staff member with sufficient financial delegation to approve an Expense Report in TEMS..

- e. ATM - refers to Automatic Teller Machine.
- f. BAS - refers to the Business Activity Statement the University is required to complete and submit to the [Australian Taxation Office](#) each month.
- g. Cardholder - refers to the employee whose name appears on a Corporate Credit Card.
- h. Expense Delegate (delegate) - refers to a staff member assigned to assist a Cardholder in completing their Expense Report.
- i. FBT - refers to Fringe Benefits Tax.
- j. GST - refers to Goods and Services Tax.
- k. Line Manager - refers to the employee with budgetary control over the cost centre used for purchases made with a Corporate Credit Card.
- l. PIN - refers to the Personal Identification Number supplied to a Cardholder by the credit card provider.
- m. Private expense - refers to any expense that is not related to the University's business operations.
- n. Request - refers to the approved Travel Request in TEMS.
- o. TEMS - refers to the University's online Travel and Expense Management System.

## Section 3 - Policy Statement

(7) The Corporate Credit Card system's main objective is to streamline processes and improve efficiency for the receipt of goods and services, and payment to suppliers, and to support employees who travel on behalf of the University.

### Eligibility

(8) The University may issue a Corporate Credit Card to an applicant who:

- a. is an ongoing or fixed term employee of the University or its entities;
- b. occupies a position that has a regular and demonstrated need to purchase goods/services within their unit or is required to travel on behalf of the University within Australia or overseas;
- c. is willing to abide by the conditions of use as stated in the University's application form and the credit card provider's application form, and comply with relevant University policies and procedures; and
- d. is able to produce appropriate documentation to establish identity as stated on the University's application form and in accordance with the [Financial Transactions Reports Act 1988 \(Cth\)](#) (100 Points Identification).

(9) The University will not issue a Corporate Credit Card to adjunct, visiting or casual employees.

### Credit Limits

(10) Credit limits on Corporate Credit Cards, and any amended credit limit, will depend on the anticipated monthly expenditure required by the position, the expenditure needs of the unit and the existing credit limits across the unit, and must be approved by the appropriate Delegated Officer.

(11) Limits on Corporate Credit Cards used for travel will also depend on the frequency of travel undertaken by the employee and the anticipated budget per trip. For example, some employees who travel frequently may require a substantially higher credit limit than others who travel less often.

(12) An amendment to a credit limit can be temporary or permanent depending on the needs of the unit. The University's credit provider requires temporary limit changes to remain in place for a minimum of one monthly credit card statement cycle.

(13) A Corporate Credit Card may be withdrawn for the following reasons:

- a. Misuse of the card, including unacceptable or inappropriate expenditure.
- b. Non-compliance with a condition of use.
- c. Continued non completion and/or appropriate approval of monthly credit card Expense Report.
- d. Transfer to another position or unit within the University that does not require the credit card purchasing facility where the transfer is either permanent or of a duration in excess of 12 months.
- e. The position currently held within the unit no longer requires a credit card purchasing facility or the card has not been used for 12 months.

(14) A Corporate Credit Card will be cancelled for the following reasons:

- a. The card has been withdrawn.
- b. The Cardholder leaves the University's service and returns their card to the Accounts Payable Supervisor for cancellation.

## Conditions of Use

(15) Corporate Credit Cards may only be used for appropriate business expenditure and the Cardholder is responsible for all charges placed against their Corporate Credit Card.

(16) A Cardholder has authority to incur expenditure up to the limit of the card. However, all purchases must comply with the [Procurement Policy](#) before a transaction takes place.

(17) By accepting a Corporate Credit Card, the Cardholder agrees to abide by:

- a. the conditions of use specified by the credit provider on issue of the card and the University Corporate Credit Card Application;
- b. all relevant University policies, procedures and guidelines;
- c. any reasonable instructions the University issues in respect to the use of the card.

(18) Where a Cardholder does not comply with the conditions of use of a Corporate Credit Card or otherwise misuses a card, the University:

- a. will be held liable;
- b. will withdraw the card from the Cardholder; and
- c. may initiate disciplinary action or legal proceedings against the cardholder.

(19) Credit cards should not be used with suppliers who do not comply with relevant GST legislation.

(20) The [Code of Conduct](#) prevents staff using a credit card to make donations to any political association.

# Section 4 - Procedures

## Part A - Applying for a Corporate Credit Card

(21) An applicant should report a perceived need for a new Corporate Credit Card to the relevant Line Manager. The Line Manager will determine whether a need for a new card has been established.

(22) Where the Line Manager does not support the application, they must advise the applicant.

(23) Where a need for a Corporate Card has been established, the applicant must:

- a. read all conditions of use specified in this policy;
- b. complete, sign and date the Corporate Credit Card Application Form;
- c. complete, sign and date the Credit Provider's Application Form, making sure that the postal address for delivery is the University location;
- d. attach clear photocopies of the documents necessary to establish their identity. The applicant may deliver their proof of identification directly to the Accounts Payable Supervisor instead of through the internal mail system. The applicant must not send any original identification documents (e.g. passports) through the mail; and
- e. submit all documents to the Line Manager.

## **Approval**

(24) The Line Manager must:

- a. check all documents have been completed and signed; and
- b. forward all application documents to the relevant CAT6 or CAT7 delegation holder for endorsement.

(25) On receiving an application, the relevant CAT6/CAT7 delegation holder may:

- a. endorse the application without amendment and forward it to the Accounts Payable Supervisor;
- b. endorse the application with an alternate credit limit and forward it to the Accounts Payable Supervisor; or
- c. reject the application where they:
  - i. are not satisfied the need for the card has been established;
  - ii. consider the requested credit limit is unjustifiable; or
  - iii. require further information related to the application.

(26) On receiving all required documentation, the Accounts Payable Supervisor will lodge the application for formal approval with the delegated authority. Where an incomplete application is received, the Accounts Payable Supervisor will contact the relevant parties and request the missing information.

(27) Where the authorised officer approves the application, the Accounts Payable Supervisor will:

- a. forward the relevant documentation to the Credit Provider for approval and processing; and
- b. file all documentation associated with the application.

(28) When the Credit Provider provides notice that the application has been approved, the Accounts Payable Supervisor will send an email notification to the Delegations Register Maintenance Officer, advising the new Cardholder's details so they can create or amend delegation records as necessary.

(29) The Credit Provider will forward the new card directly to the Cardholder, normally within a period of 21 days of the Finance Office receiving the application. Cardholders should notify the Finance Office of any delay in receiving their card.

(30) On receiving a Corporate Credit Card, the Cardholder must:

- a. sign the card as soon as possible;
- b. activate the card prior to use in accordance with the Credit Provider's instructions; and
- c. read and comply with any other instructions issued by the Credit Provider with the card.

## **Part B - Applying for an Increased/Decreased Credit Limit**

(31) Where the need to amend an existing card limit has been established, the employee should complete the Credit Card Amendment Notification Form and submit it to their Line Manager.

(32) The Line Manager will assess the application and seek approval in accordance with the requirements that apply to the issue of a new Corporate Credit Card.

(33) On receiving an approved Credit Card Amendment Notification, the Accounts Payable Supervisor will:

- a. notify the change to the Credit Provider; and
- b. send an email notification to the relevant Delegations Register Maintenance Officer for the delegations records to be amended as necessary.

## **Part C - Applying to Retain a Credit Card on Transfer/Secondment**

(34) To use a Corporate Credit Card in a new position, the Cardholder must notify their new Line Manager that they hold a Corporate Credit Card. The Line Manager will assess the application in accordance with the requirements that apply to the issue of a new Corporate Credit Card.

(35) Where the Cardholder is eligible to retain and use their card in the new position, the Cardholder must complete and lodge a Corporate Credit Card Amendment Notification with their Line Manager. The Line Manager will seek approval in accordance with the requirements that apply to the issue of a new Corporate Credit Card.

(36) Where the Cardholder is ineligible to use their card in their new position, and the new position is either permanent or of a duration in excess of 12 months, the Cardholder must comply with the requirements for Withdrawal and Cancellation of Cards.

(37) Where the Cardholder is ineligible to use their card in their new position, and the appointment is for a period of less than 12 months, the Cardholder must retain their card in a secure location but cease to use it for the duration of the appointment.

(38) On receiving an approved Credit Card Amendment Notification, the Accounts Payable Supervisor will comply with the requirements set out in clause (33) a and b.

(39) If the application is approved, the Cardholder can continue to use the card in accordance with the conditions of use.

## **Part D - Withdrawal and Cancellation of Cards**

(40) Where a card is withdrawn due to transfer/secondment, the Line Manager will provide a notice of card withdrawal to the Cardholder.

(41) Where a card is withdrawn for general non-compliance in relation to reconciliation processes or they no longer need the card, the Accounts Payable Supervisor, the Line Manager or another relevant officer holding a CAT6 or CAT7 level delegation, will provide a notice of card withdrawal to the Cardholder which indicates the reasons for the withdrawal.

(42) Where the card is withdrawn because of misuse, the relevant CAT6 or CAT7 delegation holder will provide a notice of card withdrawal to the Cardholder.

(43) Where an employee has notified the University they intend to leave the University's service, the Office of People must notify the Accounts Payable Supervisor before the employee's last date of service. The Accounts Payable

Supervisor will provide a notice of card withdrawal to the Cardholder.

(44) On receiving a notice of card withdrawal, the Cardholder must:

- a. destroy the card by cutting through the card number;
- b. complete the Corporate Credit Card Amendment Notification Form;
- c. hand the destroyed card and the notification form to their Line Manager, the Accounts Payable Supervisor or other relevant officer who holds a CAT6 or CAT7 delegation; and
- d. submit an Expense Report acquitting all outstanding transactions in TEMS, or if leaving the University provide their Line Manager with all relevant documentation, receipts, and invoices for an Expense Report to be completed by an Expense Delegate on receipt of the outstanding transactions in TEMS.

(45) On receiving a withdrawn card and amendment notification:

- a. the Line Manager must ensure it is forwarded to the relevant CAT6 or CAT7 delegation holder for consideration;
- b. the CAT6/CAT7 delegation holder will endorse or reject the withdrawal and forward all documentation to the Accounts Payable Supervisor;
- c. the Accounts Payable Supervisor will:
  - i. obtain formal approval to withdraw and cancel the card in accordance with the [Delegations of Authority Policy](#);
  - ii. notify the Credit Provider; and
  - iii. notify the Delegations Register Maintenance Officer so that they can update the [Delegations Register](#).

## **Part E - Obligations of Cardholder and Expense Delegate**

### **Before Incurring Expenditure**

(46) Upon receiving a new card, the Cardholder should:

- a. sign the reverse of the card immediately and activate the card by following the instructions provided with the card by the credit provider;
- b. ensure the safe custody of the credit card and the PIN at all times. The PIN may be used to access the credit card balance at ATM outlets;
- c. read this and related University policies; and
- d. ensure sufficient funds are available to cover purchases.

(47) Travel must be approved prior to expenses being incurred in accordance with the [Travel Policy](#).

### **Usage**

(48) The Cardholder may place an order with a supplier:

- a. in person;
- b. by phone, email or fax;
- c. by mail; or
- d. via the internet where the site has been confirmed as secure by one of the following means:
  - i. a padlock, usually located at the bottom of the screen;
  - ii. a valid security certificate showing a current end date, usually accessed by double clicking on the padlock symbol;

iii. a web address that commences with https, as the "s" suggests a secure site.

(49) If a website cannot be confirmed as secure, the order/purchase must not proceed.

(50) When using a credit card, a Cardholder shall:

- a. obtain an invoice/receipt displaying the supplier's ABN for goods under \$82.50;
- b. obtain a Tax invoice displaying the supplier's ABN for goods \$82.50 and over;
- c. ensure suppliers record full and proper descriptions of items or services on invoices/receipts;
- d. confirm the supplier site is secure when placing an order via the internet;
- e. ensure goods and services are received in good order and condition;
- f. ensure a credit is received for any returns or refunds;
- g. ensure expenditure does not exceed the monthly credit limit; and
- h. immediately report lost, stolen or damaged cards to the credit provider and the Accounts Payable Supervisor.

(51) A Cardholder must obtain the prior written approval of the Vice-Chancellor and President or Vice-President, Finance and Digital Services for any staff to attend an event that requires payment to a political party or political association using a University credit card.

## **Expense Reports**

(52) A Cardholder cannot approve expenditure, but must verify the accuracy of their credit card expenditure as detailed in the TEMS system and submit an expense report for approval.

(53) The Cardholder should keep all invoices/purchase receipts in a safe place.

(54) Transactions will be received in the TEMS system directly from the bank. Once a month the Cardholder shall:

- a. check each transaction for accuracy, enter the appropriate entity, cost centre, project code, campus and expense type against each item and include a full description of the goods/service in the business purpose field;
- b. note invoices/receipts for entertainment expenses with the number of employees and non-employees who attended, and their travelling status;
- c. complete a missing receipt affidavit when an invoice/receipt has been lost and cannot be replaced by the supplier;
- d. attach all invoices/receipts and other necessary documentation to the transactions;
- e. notify the relevant Senior Finance Business Partner of any prepayments for services for periods extending past the current year;
- f. complete the credit provider's Disputed Transaction form if an unidentified transaction appears, identify the transaction using the 'disputed corporate card transactions' Expense Type in TEMS, scan the form and attach as a receipt in TEMS, and e-mail a copy to the Accounts Payable Supervisor's email address; and
- g. submit the expense report to their Line Manager / Approver for approval.

(55) A Cardholder must provide all the necessary documentation for any pending expense report (e.g. invoice/receipts/declarations) to their Expense Delegate prior to going on leave.

(56) On receiving an Expense Report the Line Manager / Approver shall:

- a. check all invoices/receipts are attached to each transaction;
- b. check all expenditure is in accordance with the University's policies and procedures;
- c. review the appropriateness of Expense Types and goods/services;

- d. ensure the correct entity, cost centre, project code and campus code have been used;
- e. immediately notify the Cardholder of any non-compliance;
- f. examine and process Expense Reports in accordance with the requirements of section 13 of the [Government Sector Audit Act 1983 \(NSW\)](#);
- g. approve the Expense Report once satisfied all transactions are accurate.

(57) Where the Line Manager / Approver identifies expenditure that is inappropriate or misrepresented, they will inform the Cardholder immediately, prior to approving the Expense Report. Where the expenditure is deemed inappropriate or in breach of a University policy, the Cardholder will be required to reimburse the University. The transaction is to be identified as 'personal expenses to be repaid to the University' in TEMS. Copies of the receipt proving repayment of the expenditure are to be attached to the transaction. Counselling and/or disciplinary action may also be provided/taken.

(58) Where the Line Manager / Approver identifies serious misuse of a card, they will notify the Accounts Payable Supervisor as soon as possible. The Accounts Payable Supervisor will promptly refer the matter to the Manager, Financial Operations.

## **Monitoring and Review**

(59) Cardholders who have used their card will receive an e-mail from TEMS notifying them that there are new transactions in the TEMS system requiring their action.

(60) Cardholders are required to log in to TEMS at least once a month to create an Expense Report to account for all credit card transactions made during that month.

(61) Cardholders will submit an Expense Report for all outstanding transactions prior to going on leave. If there are any transactions which have not arrived in the TEMS system prior to commencement of leave, the cardholder will nominate an Expense Delegate, and provide them with the receipts and details needed to finalise the Expense Report in their absence. This will ensure the card is not suspended during the period.

(62) Cardholders and their Expense Delegate will receive further email notices as follows:

- a. first reminder: end of month reminder to submit an Expense Report for card transactions incurred during the month;
- b. second reminder: end of the following month for transactions in a. which are still not acquitted. A ten day extension period is granted;
- c. third and final reminder: end ten day extension period - for transactions still not acquitted. Notice will be given that the card will be suspended from use if an expense report is not submitted for approval with a final ten day extension period;
- d. Suspension: Notice that the card has been suspended from use where transactions remain not acquitted. The card limit will be reduced to zero and the use of the card prohibited.

(63) Where a card has been suspended from use, the Cardholder should contact the Accounts Payable Supervisor for instructions.

(64) The Accounts Payable Supervisor will conduct a monthly review and follow up credit cards that have been suspended from use due to overdue transactions. Where the Accounts Payable Supervisor identifies a Cardholder has failed to complete the Expense Report within any extended period, they will contact the Cardholder and, if necessary, their Line Manager.

(65) Where the Cardholder continues to fail to complete the Expense Report within the required timeframe, the Accounts Payable Supervisor may recommend to the Vice-President, Finance and Digital Services the withdrawal and



cancellation of the card.

(66) The Accounts Payable Supervisor will promptly report any serious misuse of cards to the Manager, Financial Operations for further investigation.

(67) The Office of Audit and Risk Assessment will conduct periodic reviews of the use of Corporate Credit Cards.

## Section 5 - Guidelines

### Appropriate uses of a Corporate Credit Card

(68) Appropriate uses of a Corporate Credit Card include:

- a. payment for goods/services in full or part supply;
- b. deposits;
- c. subscriptions for the University;
- d. conference fees (where an approved Travel Request is in place);
- e. travel expenses deemed appropriate under the [Travel Policy](#) (where an approved Travel Request is in place);
- f. general consumables other than stationery and office supplies;
- g. equipment items other than any computing equipment and with a value less than \$5000. (Please refer to the [Procurement Policy](#) and adhere to any required procedures prior to the purchase transaction); and
- h. official entertainment.

(69) Inappropriate uses of a Corporate Credit Card include:

- a. internal payments to the University;
- b. private expenses, including the purchase of gifts, food and related items in relation to non-business activities, such as birthday celebrations and the like;
- c. accrual of personal Loyalty points or FlyBuy points with purchases;
- d. private telephone accounts including internet/broadband services;
- e. motorway tolls;
- f. personal professional association membership fees;
- g. travel costs where the employee has elected to receive reimbursement for actual costs or has elected to receive a specified Cash Advance;
- h. withdrawal of cash /cash advances except where the credit card has been specifically approved for this purpose by the Vice-President, Finance and Digital Services;
- i. stationery and general supplies including DVDs, CDs available from the University's approved contract supplier;
- j. computer equipment including all hardware, CD burners, DVD burners, mobile phones, Ipads, Tablets, data services and plans and software (excluding the purchase of low value business use only software unavailable through IT Services and purchased from managed application outlets such as Apple Store), other equipment items with a value of \$5000 or greater. Please refer to the [Procurement Policy](#);
- k. splitting purchases to avoid purchasing policy requirements;
- l. fuel purchases with the exception of hire cars, new University vehicles awaiting issue of fuel cards and in exceptional circumstances purchases with the prior approval of the Vice-President, Finance and Digital Services;
- m. University-appointed Travel Agent bookings;
- n. books or journal subscriptions/serials (other than in exceptional circumstances). Where such an exception has been approved, details must be forwarded to the Library for recording purposes;
- o. tips and gratuities made in respect of meals and/or entertainment provided in Australia. If employees wish to

give a tip or gratuity then it shall be at the employees own expense. An exception can be made where a set percentage service charge is added to the bill in an overseas country where it is culturally expected and appropriate.

- p. top-up of Opal cards. Personal Opal cards should be used for business travel, with a claim for re-imbusement processed through the TEMS system, using the Opal card statement to support individual trips made for business purposes.
- q. donations in any form made to any political party or political association.

## Status and Details

<b>Status</b>	Current
<b>Effective Date</b>	1st February 2023
<b>Review Date</b>	2nd February 2023
<b>Approval Authority</b>	Director, Governance Services
<b>Approval Date</b>	31st January 2023
<b>Expiry Date</b>	Not Applicable
<b>Unit Head</b>	Darren Greentree Vice-President, Finance and Digital Services 45701295
<b>Author</b>	Jennifer Gartland Director, Financial Services 45701327
<b>Enquiries Contact</b>	Jennifer Gartland Director, Financial Services 45701327