Purchasing (Credit) Cards Policy

Section 1 - Summary

(1) This Policy:

a. Establishes clear rules and conditions on the use, administration and management of Victoria University credit cards.

Section 2 - HESF/ASQA/ESOS Alignment

(2) HESF: 6.2.1 Corporate Monitoring and Accountability: The provider is able to demonstrate, and the corporate body assures itself, that the provider is operating effectively and sustainably, including

a. The governing body and the entity comply with the requirements of the legislation under which the provider is established, recognised or incorporated, any other legislative requirements and the entity's constitution or equivalent.

Section 3 - Scope

(3) This Policy applies to:

a. All University credit cardholders and to all other University employees involved in the use, administration and management of University credit cards.
b. The requirements of the Standing Directions of the Minister for Finance issued under the Financial Management Act 1994 in regards to procedures for the use of credit cards.

Section 4 - Definitions

(4) Accountable Officer: Senior Vice-President and Chief Operating Officer or their representative who will have absolute discretion to determine who may receive (and/or retain) a credit card.

(5) Approving Officer: usually means the cardholder's supervisor but may refer to another person nominated by the supervisor or the Responsible Officer to review and approve the cardholders' expenses.

(6) Responsible Officer: refers to the employee nominated by the Policy Owner with overall management responsibility for credit cards and the Concur system.

(7) Finance Expense Management Administrator: means the person nominated by the Responsible Officer, responsible for processing credit card applications, suspension of credit cards and cancellation of credit cards as required in accordance with this Policy and maintenance of employee access to the Concur system, including support and training in the Concur system functionality.

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(8) Employee: means a person who is employed by the University and paid by the University through the University payroll. This does not include students, casual staff, sessional staff, or external contractors or Victoria University Council Members, but does include the Chancellor and Vice-Chancellor of the University.

(9) Cardholder: An employee of VU issued with a University credit card.

(10) Expense Delegate: can only be an individual who is employed by the University and paid by the University through the University payroll. This does not include students, casual staff, sessional staff, or external contractors.

Section 5 - Policy Statement

(11) Any employee issued with a University credit card (a cardholder) must only use the credit card in accordance with the terms and conditions set out in this Policy and its associated Procedure.

(12) The cardholder is responsible for the monthly coding and submission of the credit card expenses.

(13) The University is liable for any legitimate/approved/permitted charges on the credit card and not the cardholder.

(14) The University can track, account for and manage its expenditure systematically and robustly. The terms and conditions of this Policy must be strictly adhered to.

Part A - Who is issued with a Credit Card?

(15) Provision of a University credit card is a privilege, not a right. The Responsible Officer on behalf of the Accountable Officer has the discretion to determine if the University will issue a credit card to an employee.

(16) An employee will not be issued with more than one credit card.

(17) A credit card will only be provided where;

a. The employee has a financial delegation of authority equal to or greater than the proposed credit card transaction limit. If the employee does not have sufficient financial delegation of authority they must apply for and be approved with one first; and,
b. It is demonstrated the employee, from time to time, has a legitimate requirement to purchase minor items or incur minor expenditure on behalf of the University, and provision of a University credit card will facilitate greater efficiency for the performance of their duties.

Part B - Credit Card Conditions of Use

(18) A University credit card must only be used for legitimate University Business, and where the University does not have a contract with a preferred service provider, as listed on the Procurement intranet site, for the provision of the goods or services being purchased.

(19) If in doubt about whether the expense can be incurred on a University credit card, the cardholder should seek advice from the Approving Officer or the Procurement Department before they incur a University credit card expense.

(20) These conditions apply regardless of:

a. the amount of the transaction involved, or
b. the transaction method, e.g. purchases by mail, telephone order, internet, etc.

(21) The cardholder will be held personally liable for any unauthorised use of the credit card unless the unauthorised

use is the result of a lost or stolen the credit card (provided the cardholder took adequate measures to prevent the credit card from being lost or stolen) or is otherwise the result of fraud on the part of some third party.

Part C - Prohibited Credit Card Use

(22) A University credit card must not be used:

a. While a cardholder is on annual leave, long service leave, extended sick leave, or leave without pay.
b. To purchase items which require a specific process and approval in accordance with the Purchasing Policy;
c. To purchase goods or services where the University already has a contract with a preferred or secondary service provider;
d. To purchase alcohol;
e. To obtain cash;
f. For payment of air travel;
g. For the expenditure of capital nature irrespective of cost, including but not limited to computer equipment, laptops, mobile phones, PDAs, cameras, printers, audio & visual equipment, office furniture; and
h. To acquire gifts for employees or third parties, except as permitted within the Gifts, Benefits and Hospitality Policy and Gifts, Benefits and Hospitality Procedure, Part C- Providing gifts, benefits and hospitality and with supporting documentation specifying the name of the recipients; and for purchasing of Gift Cards on the Procurement intranet site.

(23) An exception to using the credit card for prohibited items as in clause (22,a.-g.) must have the pre-approval from a member of Procurement. Director, Strategic Procurement or Procurement Hub Manager can arrange purchases.

a. The University expects all cardholders to comply with the University's Appropriate Workplace Behavior Policy and Financial Code of Conduct Policy when using a University credit card.
b. The payment of tips and gratuities within Australia is not permitted and accordingly if paid on University credit cards are considered to be personal expenditure and must be reimbursed to the University;
c. To pay personal fines (the payment of which is the responsibility of the individual);
d. To purchase items using a "stringing arrangement" that is, splitting one transaction into many to avoid exceeding card and financial delegation limits.

Part D - Personal expenditure

(24) If a cardholder inadvertently charges a personal expense to a University credit card, the cardholder must immediately reimburse such credit card charge to the University together with any fringe benefits tax (FBT) liability which may have been incurred by the University as a result of the personal expense.

(25) Where coincidental University business and personal expenditure are recorded on a single credit card account, cardholders must settle all such personal expenses before charging the balance on the University credit card. For example, when a cardholder makes private telephone calls or purchases goods for private consumption subsequently charged to the hotel's account.

Part E - Approvals and Acquittals

(26) Cardholders must retain evidence of an expense incurred on the University credit card. Cardholders must acquit and submit for approval of their expenses every month. It is the Approving Officer's responsibility to review and approve monthly as outlined in the Purchasing (Credit) Cards Procedure.

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Part F - Loss, Theft or Credit Card Fraud

(27) The cardholder must take adequate measures to protect the credit card from being lost, stolen or misused.

(28) The cardholder must immediately notify any loss, theft or credit card fraud to the financial institution who issued the University credit card, Commonwealth Bank (CBA). This can be done by using the 24-hour emergency number provided when the card was issued (on the back of the MasterCard).

(29) A cardholder must retain any notification number or other acknowledgment provided by the financial institution as evidence of the date and time of the notification.

(30) A cardholder must also, as soon as possible, report the loss, theft or fraud of the cardholder's credit card to the Finance Expense Management Administrator.

Part G - Advise Changes in Cardholder Particulars

(31) The cardholder must keep up to date all information about the cardholder, including name, contact details, campus base, cost centre, delegation, Approving Officer. Any changes should be notified to the Finance Expense Management Administrator.

(32) When the cardholder changes position within the University, it is the responsibility of the cardholder to advise their new supervisor to assess the requirement for the ongoing issue of the credit card to the cardholder.

Part H - Suspension and Cancellation of Credit Card

(33) Credit cards will be suspended for the following reasons;

a. The cardholder fails to provide valid supporting documentation for their transactions;
b. The monthly expenditure is not acquitted within 30 calendar days from the transaction date. Any credit card expense not acquitted after this period will automatically be suspended and will only be re-activated when all available transactions have been acquitted; and
c. The employment of a cardholder is suspended, pending disciplinary action.

(34) Credit cards will be cancelled for the following reasons:

a. The cardholder refuses to comply with relevant University policies and procedures; and
b. The cardholder regularly fails to provide valid supporting documentation for any outstanding transactions.

Part I - Return of Credit Card when Required or Requested

(35) The cardholder must cut their credit card in half and immediately return the credit card to the Finance Expense Management Administrator:

a. At least 10 days before the cardholder ceases employment with the University;
b. When the Responsible Officer or Approving Officer determines that the cardholder no longer requires a credit card; or
c. When the credit card has been cancelled.

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Section 6 - Procedures

(36) Purchasing (Credit) Cards Procedure

(37) Financial Management Act 1994

(38) Appropriate Workplace Behavior Policy

(39) Gifts, Benefits and Hospitality Policy

(40) Financial Code of Conduct Policy

(41) Financial Delegations Schedule

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