

Section		Accounts Payable / Expenditure	
Policy	Purchasing Card Policy and Concur Acquittal Process		
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1. INTRODUCTION

In order to improve business processes and transactional visibility, Murdoch University (University) has issued ANZ Visa Purchasing Cards to eligible employees. These cards are multipurpose and are to be used for all University business purchases with an individual item value up to \$5,000 (ex GST) in accordance with the University Procurement Policy with the exception of travel expenses of any value to be paid via purchasing card only.

The cards include the University logo to reinforce our Brand in the market place.

All purchases charged to the card by cardholders will be settled with ANZ on the 26th of each month via the Office of Finance, Planning & Reporting (OFPR). Please note ANZ settles with the supplier, the University settles with ANZ.

All University purchasing card transactions will be managed in an Internet based system, "Concur", which has been supplied to the University.

Cardholders, via an administration assistant ("delegate"), will use the system to generate expense reports to acquit the transactions on a monthly basis. Supervisors will use the system to review and approve the expense reports being submitted.

The Concur system provides a wide variety of reports, assisting analysis of purchasing card program use and facilitating policy compliance by cardholders and approvers.

2. SCOPE

This policy applies to all eligible employees issued with a University purchasing card. The policy governs the appropriate use of the purchasing card and the use of the Concur Expense Management System that assists with the purchasing card acquittal process.

3. DEFINITIONS

3.1 Eligible employee:

An eligible employee is any member of the University that is an employee by definition of their employment contract.

Students, consultants, contractors, casuals and all other members not meeting the above definition are not permitted to be issued with a purchasing card.

3.2 Business purchases:

Expenditure incurred while undertaking work on behalf of the University for purposes directly associated with the functions of the University.

3.3 Personal expenditure:

Any expenditure considered not to meet the business purchase definition above.

3.4 University:

Murdoch University including its controlled entities.

3.5 Acquittal process:

The acquittal process, managed via the Concur Expense Management System, involves the following steps:

- Charging the purchasing card transaction to the appropriate cost centre;
- Providing all appropriate supporting documentation for each transaction; and
- Obtaining electronic supervisor approval for the transactions.

3.6 Administration assistant / delegate:

An employee assigned to assist the cardholder with the acquittal process (as defined above). The delegate is required to be an individual trained on the Concur Expense Management System and responsible for administrative tasks.

4. POLICY

4.1 Key principles governing the ANZ Purchasing Card

- The University's approved purchasing card provider is the ANZ Bank. No other purchasing card providers are permitted to be used.
- The cardholder is required to take all reasonable steps to secure and safeguard the purchasing card.
- The cardholder is responsible for collating all the supporting documentation for all purchases on the purchasing card (refer 4.6). Therefore, all efforts should be made to avoid or control the disclosure of the purchasing card number to other individuals to undertake a business purchase.
- All expenditure is to be for University business purposes only.
- Cards **must not** be used to bypass standard procurement processes (refer 4.2).
- All purchasing card transactions are to be acquitted through the Concur Expense Management System within the timeline documented in this policy (refer 4.10)
- Compliance with appropriate Goods and Services Tax (GST) and Fringe Benefits Tax (FBT) legislation with regard to the supporting documentation.
- The credit limit assigned to the cardholder is a financial delegation which authorises the cardholder to commit the University to settle the liability incurred. This authority comes with responsibility as outlined in this policy.

- The University reserves the right to cancel/suspend any individuals' purchasing card and recover monies owing at any time through its representatives holding the offices of Deputy Vice Chancellor, Faculty Dean or Director, for breach of policy or otherwise.

4.2 Restrictions on the use of the Purchasing Card

The purchasing card **cannot** be used for the following purposes:

- Any business purchases specifically excluded under the University procurement policy;
- Any personal expenditure at any time;
- Any asset purchases with the exception of the following goods that can be purchased using the University purchasing card:
 - minor equipment (<\$1,000)
 - furniture and fittings,
 - library books / subscriptions (library use only) and
 - software (ITS use only);
- Cash withdrawals / advances (refer to [Policy 1501](#) should you require a travel advance); or
- Internal payments within the University;
- Any purchases charged to a subordinates purchasing card where the business purpose directly benefits the recipient e.g. travel and associated costs incurred whilst travelling; memberships to business and professional clubs and associations; conference expenses etc. Expenses of this nature must be purchased with the recipients purchasing card and therefore approved by the recipient's supervisor.

4.3 How to obtain a Purchasing Card

4.3.1 Application requests

- Applications for purchasing cards must only be made by eligible employees.
- The application requires the completion of two forms:
 1. Form 560(a) "ANZ - Commercial Cards Cardholder Registration Form (Murdoch Uni)" ([Form 560\(a\)](#)), or Form 560(b) "ANZ - Commercial Cards Cardholder Registration Form (Murdoch Link)" ([Form 560\(b\)](#)), or Form 560(c) "ANZ - Commercial Cards Cardholder Registration Form (Innovative Chiropractic Learning)" ([Form 560\(c\)](#)) ; and

2. Form 561 "Purchasing Card Agreement and Acknowledgement by Cardholder" (Form 561).
- Form 560(a), (b) or (c) requires the cardholder to complete sections 2, 3 and 5 (cardholder signature part only).
 - Form 561 requires the cardholder to provide details including name, employee number, position, school/office, department, delegate name and credit limit applied for.
 - Once completed and approved, forward application forms to the Accounting Officer (Purchasing Cards) (OFPR).
 - Purchasing cards will be issued in the name of the employee and remain the property of ANZ.

4.3.2 Application approvals

- Form 560 – Once signed by the cardholder, the form will thereafter be approved by the University appointed verifying officer and authorised signatory within OFPR.
- Form 561 - The Vice Chancellor, Deputy Vice Chancellors or Executive Deans must approve this form.

The approval covers the following:

1. The appointed cardholder is entitled to receive a purchasing card under this policy; and
 2. The credit limit applied for. Please note that this approval is to be in accordance with the approver's financial delegation (e.g. for a credit limit of \$10,000, the approver needs to have a financial delegation of \$10,000 or above).
- The Vice Chancellor, Deputy Vice Chancellor or Executive Dean approving the application will normally take the responsibility of being the cardholder's 'supervisor'. This authority may be delegated to a nominated 'supervisor', by the Vice Chancellor, Deputy Vice Chancellor or Executive Dean, at the time the application is lodged with OFPR.
 - Form 565 – This form is to be completed by the cardholder authorising the University to recover monies through payroll that are owed if any any personal expenditure occurs on the Purchasing Card (see 4.11 for further information on personal expenditure).
 - The supervisor must have line authority above the cardholder. Any appointment of a cardholder supervisor other than line of authority will be a the discretion of the Director, Office of Finance, Planning and Reporting, and CFO and evaluated on a

case by case basis. Nominated cardholder 'supervisors' cannot further delegate this role.

- The supervisor will take the role of approving expense reports within the Concur Expense Management System (refer to 4.10.3)
- OFPR will maintain a record of purchasing cards issued and the cardholder's supervisor.

4.3.3 Card issue

- OFPR will lodge the application form with ANZ directly via email or fax.
- Within 5 working days, the purchasing card will have been received by the Accounting Officer (Purchasing Cards) (OFPR).
- The Accounting Officer (Purchasing Cards) (OFPR) will then contact the cardholder to collect their card from OFPR.

4.4 Credit limits

4.4.1 Credit limit

The credit limit is a monthly limit assigned to the purchasing card. Expenditure on the purchasing card cannot exceed the monthly limit set by the Vice Chancellor, Deputy Vice Chancellors or Executive Deans. The purchasing card provider (ANZ) will not allow purchases in any one month to be made on the purchasing card above this monthly limit. The maximum credit limit set for any one purchasing card is \$20,000. Any requested increase to the maximum credit limit will be reviewed on a case by case basis at the discretion of the Director, Office of Finance, Planning and Reporting and CFO. Credit limits will be set at a minimum \$2,000 for all purchase cards.

4.4.2 Transaction limit

The transaction limit is set at the same amount as the credit limit.

4.4.3 Changing the limit

Where the cardholder's credit limit requires adjustment, the cardholder must arrange for an email to be sent by either the Vice Chancellor, Deputy Vice Chancellors or Faculty Dean, dependent on who the appropriate financial delegate is, to the Accounting Officer (Purchasing Cards) (OFPR), authorizing the adjustment to the credit limit. The Director, Office of Finance, Planning and Reporting and CFO may authorize credit limit adjustments in the event the above mentioned authorities are not available to provide approval in circumstances requiring urgent resolution.

4.5 Use of the Purchasing Card

The purchasing card can be used to procure and pay for goods and services in the following ways:

- Payment in person;

- Payment via telephone;
- Payment by mail;
- Payment via internet; or
- Payment via direct debit (however it is the responsibility of the cardholder to manage all aspects of the direct debit (including authorisation, acquittal, transfers, cancellation etc.).

4.6 Supporting documentation to Purchasing Card transactions

4.6.1 Within Australia:

All purchases with the purchasing card exceeding \$55 (inclusive of GST) within Australia must be supported by a tax invoice (purchasing card receipt is not sufficient).

4.6.2 Outside Australia:

All purchases with the purchasing card outside Australia must be supported by a receipt or invoice appropriately documenting the goods purchased or service delivered.

4.6.3 Lost receipt (Statutory declaration):

On the "rare" occasion where receipts are lost, a Statutory Declaration form ([Form 576](#)) may be used to accompany a claim form if the individual invoiced amount claimed is less than \$100 (excl GST). (Note: additional expense is incurred by the division/school/research project when this method is used as the GST that may have been applicable is not claimable.) Where receipts are lost, ***every effort should be made to obtain a duplicate tax invoice/receipt from the supplier.***

4.6.4 Travel diary:

Under the Australian Taxation Office (ATO) laws, payments for travel and accommodation expenses are subject to FBT unless the University is able to demonstrate that the expenses are incurred in the conduct of University business and have no private or personal component.

As such, for all travel and accommodation expenditure incurred on the purchasing card, a travel diary is required to be completed ([Form 570](#)). Should the travel diary not be completed, OFPR will charge the appropriate cost centre the FBT charge directly.

4.7 Disputed transactions

Where possible, disputes must be referred to the supplier for resolution. If prompt resolution is not achieved the dispute must be referred to the ANZ Bank on the ANZ Commercial Card Disputed Transaction form ([form 562](#)). Once completed the form must be faxed to ANZ. ANZ will not accept telephoned disputes.

Once investigated, ANZ will advise the Accounting Officer (Purchasing Cards) (OFPR) of the outcome.

The original transaction, together with the credit if applicable must be coded to the disputed transaction expense type within Concur. If the disputed transaction is a valid transaction, a manual Finance One journal upload will be required to transfer the cost from the disputed transaction expense type to the correct expense type. Please contact OFPR to perform this journal entry.

4.8 Returning the Purchasing Card

The purchasing card must be returned to the Accounting Officer (Purchasing Cards) (OFPR) immediately:

- the card is cancelled or you cease employment with the University; or
- upon transfer to a new position that does not have purchasing responsibilities and the card is not required for business purposes.

4.9 Loss or theft of Purchasing Card

The loss or theft of a purchasing card must be reported immediately to the ANZ 24-hour Lost or Stolen Cards Service Centre on 1800 033 884 or internationally on (+613) 9683 7043 and to the Accounting Officer (Purchasing Cards) (OFPR).

4.10 Concur (Purchasing Card transactions acquittal process)

All purchasing card transactions are acquitted through the completion of an expense report within the Concur Expense Management System. This is an electronic acquittal and is prepared by an appointed delegate.

4.10.1 Cardholder responsibilities to the acquittal process:

The cardholder has the overall responsibility for the acquittal process. If the delegate or supervisor has not undertaken their responsibilities, it is up to the cardholder to ensure the acquittal process is completed.

In addition, the cardholder is required to:

- Provide all supporting documentation (refer 4.6) to the delegate;
- Provide the appropriate Finance One account codes required to be charged for each transaction (documented on the electronically supplied purchasing card statement);
- Provide an appropriate business purpose for each purchasing card transaction; and
- Provide an attendee list if entertainment related.

A checklist is available to the cardholder and the delegate to assist with this process ([Form 563](#)).

4.10.2 Delegate responsibilities to the acquittal process:

The delegate is required to:

- Prepare one expense report per month for each cardholder assigned to them;
- Attach all supporting documentation to a printed copy of the expense report and forward to OFPR (there is an option available to electronically attach the supporting

documentation to the online expense report, either via faxing or scanning, should the supervisor request so); and

- Submit the expense report to the supervisor for approval.

4.10.3 Supervisor responsibilities to the acquittal process:

The supervisor is required to:

- Review the expense report to ensure all expenditure relates to business purchases, is appropriate spend and if satisfied, approve the expense report; and
- If not satisfied, return the expense report to the delegate for correction.
- The supervisor is encouraged to review all relevant documentation to support the approval process

4.10.4 Acquittal timelines:

Cardholder:

For all transactions up to and including the 25th of each month appearing on the cardholder statement, the cardholder is required to provide all supporting documentation (refer 4.6) to the delegate within **5 working days** after the 25th.

Delegate:

The delegate is required to prepare and submit the expense report by the 25th of the following month (i.e. 25th Jan statement - submitted by 25th February).

Supervisor

The supervisor is required to approve the expense report within 7 days of receipt from the delegate.

4.10.5 Email reminders:

All the dates below are from the transaction date as per the ANZ purchasing card statement:

60 days after - email reminder sent to cardholder notifying them that there are purchasing card transaction(s) still requiring acquittal

75 days after - email reminder sent to cardholder notifying them that there are purchasing card transaction(s) still requiring acquittal and that, unless the cardholder is travelling, should the transaction(s) not be acquitted within 90 days after transaction date, the card will be cancelled / suspended

90 days after - email sent to cardholder notifying them that, unless the cardholder is travelling, the card has been cancelled / suspended

Supervisor approval

An email will be sent to the supervisor if the approval has not been undertaken within 7 days from receiving the expense report. An email will thereafter be sent every 5 days that the expense report remains unapproved.

4.10.6 Acquittal costs:

The University has negotiated with Concur as to the pricing of using their system. The costs are based on each expense report submitted and approved. The recommendation is that only ONE expense report be submitted per month for each cardholder in accordance with the acquittal timeline in 4.10.4 above. The cost of the first expense report submitted per month will be worn by the University central office. The division, school or office will wear the cost for each expense report submitted thereafter per month. The cost will be \$5 per expense report.

4.11 Personal expenditure – Exception process only

In the event of inadvertent use of the purchasing card for personal expenditure, you are required to notify your purchasing card supervisor immediately. Reimbursement of this expenditure can occur in two ways:

- Option 1: payment in the form of a personal cheque or cash equivalent to the value of the personal expenditure is required to be reimbursed to the University immediately (being within 24 hours of the transaction being identified). The payment is forwarded to the Accounting Officer (Purchasing Cards), Office of Finance, Planning and Reporting when this occurs.
- Option 2: Payment will be deducted from your next salary payment. You will be required to complete Form 565A detailing the amount for reimbursement to the University. This form is to be sent via the Administrative Officer (Purchasing Cards), Office of Finance, Planning and Reporting who will confirm receipt and forward to HR Payroll for processing.

Please note, should the purchasing card be used for personal expenditure, it is at the University discretion as to whether the purchasing card will be cancelled / suspended due to non-compliance with this policy.

5. NON-COMPLIANCE

5.1 What constitutes non-compliance

The following constitutes non-compliance:

- Using the purchasing card for restricted purchases (refer 4.2 above);
- Not providing appropriate documentation to support the transactions (i.e. tax invoices, receipts, statutory declarations, travel diaries etc);
- Inappropriate use of statutory declarations; or
- Not acquitting the purchasing card transactions through the Concur Expense Management System within the appropriate timeline.

5.2 Consequences of non-compliance

5.2.1 University

Appropriate University officers, will in the first instance, if they suspect any policy breaches:

- Approach the University card holder concerned to clarify the occurrence, and
- Initiate training or education material to the University card holder concerned so that they become aware of and are conversant with the policy and/or associated procedures.

Appropriate University officers, will in the second instance, if they suspect further policy breaches by a University card holder:

- At the University discretion, the purchasing card will be cancelled / suspended immediately; and
- Refer the matter to the Office of Human Resources for proceedings under the Universities misconduct policy and code of conduct.

5.2.2 Public Authority

At any time if any staff suspect an alleged breach of policy that may involve corrupt conduct, maladministration or serious waste by staff they can inform the University General Counsel or University Secretary who may then:

- Initiate an internal or external investigation under the Public Interest Disclosure Act (<http://www.legal.murdoch.edu.au/pid/pid.html>) or the Corruption and Crime Commission Act that results in the matters being reported to the Corruption and Crime Commission or the Police (All investigations are monitored by the Audit and Risk Management Committee)

6. CONTACTS

Manager Strategic Procurement	Ext 6175
Accounting Officer (Purchasing Cards) (OFPR)	Ext 6868
Concur Helpdesk (OFPR)	Ext 6165