# Finance and Accounting Manual

## Corporate Card Procedures

Approved by the Chief Financial Officer on 20 September 2011
Date of effect: 20 September 2011
Updated for Delegation amendment: 4 October 2011
Updated: 25 September 2012
Updated for Delegation amendment: 17 February 2014

### Table of Contents


**1. OVERVIEW ..... 2**
1.1 Purpose ..... 2
1.2 Coverage ..... 2
1.3 Essential Information ..... 2
1.3.1 Operating Principles ..... 2
1.3.2 Exclusions ..... 3

**2. PROCEDURES AND GUIDELINES ..... 4**
2.1 Applications ..... 4
2.1.2 Steps in Applying for a University Corporate Card ..... 4
2.2 Cardholders Procedures ..... 5
2.3 Goods and Services Tax (GST) ..... 6
2.4 Fringe Benefits Tax (FBT) ..... 6
2.5 Travel Expenses ..... 7
2.6 Cash Claims (Out of Pocket Expenses) ..... 7
2.7 Authorising Officers ..... 7
2.8 Corporate Card Administrator and Faculty Finance Directors ..... 8
2.9 Disputed Amounts ..... 8
2.10 Bank Fees and Charges ..... 9
2.11 Lost or Stolen Cards ..... 9
2.12 Increasing/Decreasing Credit Limits ..... 9
2.13 Expiry of Corporate Cards/Replacement Cards ..... 10
2.14 Cancellation of Corporate Cards ..... 10

**3. INTERNAL CONTROLS ..... 10**
3.1 Responsibilities/Accountability ..... 10
3.2 PeopleSoft Accounting Entries and Information ..... 11
3.2.1 Initial Transaction Entry ..... 11
3.2.2 Approval Process ..... 11
3.3 Controls/Reconciliation/Reporting Activities ..... 11

**4. RELATED INFORMATION ..... 12**

**5. CONTACT AND REVIEW ..... 13**
APPENDIX A: CORPORATE CARD RETURNED GOODS PROCEDURE ..... 14
APPENDIX B: CORPORATE CARD DISPUTE RESOLUTION PROCESS ..... 16
ALLOCATION OF CREDIT RECEIVED FOR A DISPUTED TRANSACTION ..... 17
APPENDIX C: CORPORATE CARD – 100 POINT ID VERIFICATION ..... 18

# Finance and Accounting Manual

## Corporate Card Procedures

Approved by the Chief Financial Officer on 20 September 2011
Date of effect: 20 September 2011
Updated for Delegation amendment: 4 October 2011
Updated: 25 September 2012

### 1. Overview

#### 1.1 Purpose

To provide procedures on the issue, use and responsibilities for University Corporate Cards.

University Corporate Cards can be issued to any University representative with the approval of a Finance Director/Associate Director Finance, within a specified accountability area. The approval must specify whether the card can be used for:-

(i) regular expenses on approved University business, eg, cardholder's own travel and entertainment expenses, conferences, etc. Refer to the Travel Policy for details on travel;or
(ii) limited travel expenses, eg, cardholder's own specifically approved travel expenses;and/or
(iii) the purchase of goods and services for the University to a maximum value of $5,000 per transaction (GST inclusive).

#### 1.2 Coverage

This procedure applies to everyone involved in the operation, supervision, management and administration of University Corporate Cards for the acquisition of goods and/or services, excluding travel expenses. Refer to the Travel Policy for details on travel.

#### 1.3 Essential Information

##### 1.3.1 Operating Principles

(i) University Corporate Cards are to be used for University business purposes only. **They cannot be used for types of expenditure listed in either section 1.3.2 below** or the Non-Allowable Expense Procedures.

(ii) Individual monthly credit limits should be established for each cardholder having regard to the anticipated usage of the card and the likely expenditure to be incurred. Unless specific approval is given by the Finance Director/Associate Director Finance for a higher credit limit, the maximum monthly credit limit per Corporate Card for expenses on approved University business, eg, cardholder's own travel and entertainment expenses, conferences, etc, will be $5,000.

(iii) The Authorising Officer and Corporate Card Administrator are to monitor the continued need for the card and the credit limit applying for each cardholder on a regular basis, at least annually.

(iv) The cardholder must comply with the Corporate Card Procedures, Procurement Policy, Non-Allowable Expense Procedures and other relevant University policies and procedures. Expenses incurred on a University Corporate Card require the normal examination, certification and authorisation.

(v) Each cardholder must complete a Corporate Card Application and Agreement form. This cardholder agreement outlines in detail the responsibilities and accountability of the cardholder and the authorising officer agreement outlines the accountability of authorising officers.

(vi) Failure to comply with this procedure will result in cancellation of the Corporate Card.

(vii) Corporate cardholders should use their Corporate Card to pay for all travel and related expenses and **must not claim Per Diem Allowances** for meal and incidentals (refer to section 10.4 of Travel Policy).

(viii) All expenses must be incurred with due regard to economy and the University's procurement policies and procedures.

(ix) Inappropriate expenditure shall be recovered from the cardholder (refer to section 2.7(iii) below).

### 1.3.2 Exclusions

University Corporate Cards **CANNOT** be used for the following types of expenses:

**(i) Non-Allowable Expense Procedures**

Please refer to the Non-Allowable Expense Procedures for details of additional non-allowable expenses, including airline club life memberships, airline frequent flyer memberships, alcohol, childminding expenses, entertainment of staff at restaurants, entertainment of family/friends, equipment for private use, expenses while absent for special studies program purposes, fines, flowers and gifts for staff members, parking permit fees, personal clothing or apparel, private telephone calls, private travel, personal insurance policies, professional membership subscriptions, staff functions, subscriptions to periodicals, subscriptions to sporting bodies, tickets to entertainment events, tipping, and travel luggage or personal effects.

**(ii) Cash Advances**

**(iii) Cash Refunds**

All refunds should be credited against the Corporate Card.

**(iv) Contractors, for the Supply of Labour**

The employee and contractor status must be established. Payments for deemed employees must be processed through Payroll and payments for independent contractors through Accounts Payable.

**(v) Travellers cheques, Bank Cheques and Postal Money Orders**

**(vi) Petrol Purchases for University-owned Motor Vehicles**

A Fleet Card system is currently in use for University owned vehicles.

**(vii) Internal purchases within the University**

These should be processed using journal transfers:

- University Publishing Service
- Centre for Continuing Education
- Campus Security (CIS)
- University Health Service
- Information and Communications Technology Services (ICT)
- Internal Payments for Conference Registrations and Functions

**(viii) Supplier Consolidated Invoice Payments**

The following suppliers are paid by the University on a consolidated invoice and individual invoices must not be paid:

- Avis for car hire
- Cabcharge
- Corporate Express for stationery
- OfficeMax for stationery
- Zip Express Couriers

**(ix) Computer desktops/laptops, software, telephones**

These items must be acquired through ICT to comply with the University's Standard Operating Environment Policy, with payment made through Accounts Payable.

**(x) Imaging and Copy Devices**

These items must not be acquired pending finalisation of a managed service provision.

## 2. Procedures and Guidelines

### 2.1 Applications

#### 2.1.1 Approval

(i) The University has a VISA Corporate Card Facility with the National Australia Bank (NAB).

(ii) The Finance Director/Associate Director Finance has delegation to:-

(a) Approve an application for a University Corporate Card for a staff member; and

(b) Set monthly credit limits.

(Refer to part 6.4.4 of the Delegations of Authority – Administrative Functions.)

**Note:** For administration and professional service portfolios the Director Corporate Finance and Associate Director Corporate Finance can approve University Corporate Card applications and set monthly card limits.

#### 2.1.2 Steps in Applying for a University Corporate Card

(i) The applicant reads the Corporate Card Procedures, completes and signs the Corporate Card Application and Agreement form.

(ii) The applicant's Finance Director/Associate Director Finance must sign the cardholder's application forms and complete the Corporate Card Authorising Officer Agreement. When approved the application form is sent to the Corporate Card Administrator.

(iii) Once the application form has been approved, the Corporate Card Administrator or other staff with AUSTRAC verification will complete the 100-point ID verification with the applicant (refer to Appendix C for details on the 100-point ID verification).

(iv) After the 100-point ID verification has been completed the Corporate Card Administrator shall ensure that the application is endorsed and arrange lodgement with the NAB. The NAB takes between 5-7 working days to process a card once the application has been lodged.

(vi) The cardholder shall be advised when the card arrives. The card is issued following completion of formal training in the credit card management system.

## 2.2 Cardholders Procedures

(i) Cardholders are accountable for transactions incurred on their Corporate Card and for the safe keeping of their card. It is also the responsibility of the cardholder to follow up unknown transactions. (Refer to Section 2.9 Disputed Amounts)

(ii) Cardholders are required to maintain a record of the transactions incurred on their Corporate Card and to provide sufficient explanation of the nature and purpose of the transaction, using the credit card management system to record this information.

(iii) On a daily basis transactions will appear on the online bank statement in Spendvision. The Spendvision User Guide details the instructions for cardholders in more detail.

(iv) Cardholders are accountable for acquitting all transactions in their Spendvision account within the statement period.

**Failure to comply with these procedures will result in cancellation of the Corporate Card or reduction of the credit limit to $1.**

**Cardholders will be required to:-**

**(a) Review the Statement to verify all the transactions listed, at the very least on a monthly basis.**
**Note:** The last day of the accounting period for the credit card management system is normally the 25th of the month, with all transactions requiring coding and approval within the credit card management system by the 29th of the month if they require to be posted to the correct accounts in the period. Transactions that are not coded or approved by the end of the month are accrued to the cardholder's default accounts for posting to the correct accounts in the subsequent month.

**(b) Attach Tax Invoices and Receipts for each transaction that appears on the online statement**. Tax Invoices are not required to be obtained or kept where the transaction value is less than AUD$82.50 inclusive of GST (or converted foreign exchange equivalent) but sufficient explanation as to the purpose of the transaction must be entered within the credit card management system and the University retains the right to seek reasonable explanation for all credit card amounts. Where reasonable explanation cannot be given, the transaction will be considered a personal expense and referred to Audit and Risk Management. It is still necessary for the recipient to retain and produce some form of documentation (receipt, cash register dockets) when required by the Authorising Officer.
**Note: Corporate Card Transaction dockets are NOT valid Tax Invoices and are not sufficient to claim credits for GST paid. (Refer to Section 2.3 GST)**

**(c) Attach other supporting documentation**.
i.e. Screen prints of Internet orders
Letters/Memos explaining/approving the expenditure
Email correspondence/ File notes

**(d) Identify transactions on which FBT is payable and follow procedures outlined in section 2.4**.

**(e) Identify asset transactions and provide the asset information, including location and serial number**.

**(f) At the end of the accounting period, sign a copy of the online statement and attach all supporting documentatio**n.

(v) Where the cardholder has lost or misplaced tax invoices and receipts, they must complete and sign a Corporate Card Lost or Unobtainable Receipts form and attach it to a printed copy of the monthly Corporate Card Statement. The only exception to this is where the transaction value is less than AUD$82.50 inclusive of GST (or converted foreign exchange equivalent), for which it is not necessary to obtain tax invoices or fill out an Unobtainable Receipt form. Sufficient explanation as to the purpose of the transaction must be entered within the credit card management system and the University retains the right to seek reasonable explanation for all credit card amounts. Where reasonable explanation cannot be given, the transaction will be considered a personal expense and referred to Audit and Risk Management.

(vi) The monthly Corporate Card Statement and all supporting documentation must be forwarded to the cardholder's Authorising Officer for review and approval. Once approved the original documentation is held with the cardholder unless stated otherwise. The cardholder is to retain at the University the signed and approved statements with the supporting documentation for six (6) years after the financial year audit has been completed. If the cardholder leaves the University or changes Faculty or Administrative area, these records are to be retained by the original Faculty or Administrative area.

(vii) The process for returning goods previously paid using the University Corporate Card are documented in the Corporate Card Returned Goods Procedure at Appendix A.

## 2.3 Goods and Services Tax (GST)

**Tax Invoices**

Tax Invoices must be obtained for all transactions that are inclusive of GST. Where a Tax invoice is not obtained, the University is unable to claim credits for GST paid.

The tax invoices must be attached to the monthly Corporate Card Statement.

> The only exception is where the value of the transaction is less than AUD$82.50 inclusive of GST; where the transaction value is less than this, Tax Invoices and Receipts are not required to be obtained or kept. It is still necessary for the recipient to retain and produce some form of documentation (receipt, cash register dockets) when required by the Authorising Officer..

**A Corporate Card transaction docket is NOT a valid "Tax Invoice".**
For further information on Tax Invoices refer to Section 3 in the Tax-GST Guide.

## 2.4 Fringe Benefits Tax (FBT)

(i) Cardholders should become familiar with the types of Fringe Benefits that may arise with certain types of expenditure.

The most common types of Fringe Benefits associated with the use of Corporate Cards are "Tax Exempt Body Entertainment Fringe Benefits" and "Expense Payment Fringe Benefits". Detailed information about these Fringe Benefits can be obtained from the Tax-FBT Guide.

(ii) Cardholders will be required to identify transactions on which Fringe Benefits Tax (FBT) is payable and to allocate that expenditure to the appropriate account classes.

(iii) The cardholder must provide details of the number of University staff and associates (ie, spouse, contractor) in attendance and the number of external clients (non-University staff or associates) in attendance on the on-line FBT questionnaire in the credit card expense management system.

(iv) The FBT liability will be automatically calculated in PeopleSoft General Ledger for each transaction in the FBT eligible account classes.

**Example: Entertainment Fringe Benefit**
The cardholder charges the full cost of a business lunch of $150 (GST inclusive) to the Corporate Card. One University staff member and two clients (non-University staff) attended the lunch. Fringe Benefits Tax will be payable on one third of the cost of the lunch being the cost for the staff member.

The cardholder should complete the on-line questionnaire and record one employee and two clients in attendance. The correct account classes will be automatically selected:

| | | |
|---|---|---|
| 5900 | Entertainment – GST/FBT eligible | $ 50.00 |
| 5901 | Entertainment – GST/non FBT eligible | $100.00 |

(Note: account class 5904 is used for Entertainment GST Free/FBT eligible).

## 2.5 Travel Expenses

Refer to the Travel Policy for details on travel where corporate cards have been approved to be used for travel.

## 2.6 Cash Claims (Out of Pocket Expenses)

All University travellers and Spendvision.com account holders **MUST** claim reimbursement for travel and non-travel related expenses, in Spendvision.com, Expense Management system (refer to section 10.6 of Travel Policy).

Non-travellers who do not have Spendvision.com account may claim reimbursement through Petty Cash for amounts less than $25. Amounts over $25 must be claimed through Spendvision.com only.

'Payment Request' forms for claiming travel or non-travel related reimbursements will not be accepted by Accounts Payable for payment processing.

## 2.7 Authorising Officers

(i) Authorising Officers are accountable for reviewing, certifying and authorising charges incurred by cardholders. The Authorising Officer should request any additional information or explanations that may be necessary to verify that the transactions are valid charges to the University.

(ii) The Authorising Officer also approves the electronic transaction in the credit card management system. (Refer to Section 3.2.2).

(iii) Authorising Officers must ensure that the cardholder is complying with Corporate Card Procedures and other relevant University policies and procedures. The Authorising Officer must request reimbursement to the University for any personal expenditure incurred on the Corporate Card by declining the transaction and initiating recovery of the costs (account class 1196 should be charged for any personal expenditure by the cardholder). The Authorising Officer can request that the cardholder's card be cancelled for non-compliance with University policies and procedures. Any misuse must be notified to the Corporate Card Administrator immediately.

(iv) The Authorising Officer must review the need for the Corporate Card for each cardholder under their supervision on a yearly basis.

(v) Where a cardholder resigns, the Authorising Officer is accountable for the recovery of the Corporate Card, ensuring that the card is cut in two and returned to Corporate Card Administrator for cancellation.

## 2.8 Corporate Card Administrator

(i) The Corporate Card Administrator is accountable for the overall administration and management of the Corporate Card facility and all contact with the NAB Business Banking Centre in relation to applications for new cards, cancellations, increased credit limits. The Corporate Card Administrator is also responsible for the administration and management of cardholders.

(ii) On a weekly basis the Corporate Card Administrator will obtain details from Human Resources on employees that have terminated their employment and cancel any issued Corporate Cards, any automatic deductions connected to the card, and Spendvision accounts.

(iii) The Corporate Card Administrator and Audit and Risk Management monitor compliance with Corporate Card Procedures and other relevant University policies and procedures. In consultation with the cardholder's Authorising Officer, Audit and Risk Managementand the Corporate Card Administrator may request reimbursement to the University for any personal expenditure that is incurred on the Corporate Card. They may also request that the card be cancelled due to non-compliance of the cardholder with University policies and procedures.

(iv) The Corporate Card Administrator and the Authorising Officer are to monitor and follow up outstanding transactions not yet acquitted. (Note: Cardholders should acquit their Corporate Card Statement regularly). The cardholder should be contacted in the first instance and if still outstanding after two months, the cardholder's Authorising Officer. If cardholders have not fully acquitted their Corporate Card Statement for three consecutive months then the Corporate Card Administrator **will cancel t**he Corporate Card with approval of the Finance Director/Associate Director Finance.

The term 'acquitted' means to verify the transaction as being proper and correct and allocate each transaction to the correct financial accounts in the credit card management system.

(v) The Authorising Officer and Corporate Card Administrator are to monitor the continued need for the card and the credit limit applying for each cardholder on a regular basis, at least annually.

(vii) The Corporate Card Administrator will coordinate spot audits of selected Corporate Cardholders each month, reviewing the acquittal of expenses, type of expenses incurred and the filing of documentation. The Corporate Card Administrator will provide a report to the Director Procurement and Chief Financial Officer on the findings of the audits.

(vii) Investigations by Audit and Risk Management into misuse of a Corporate Card will activate temporary suspension of the Corporate Card. The temporary suspension will occur during the investigation period until the investigation is complete.

## 2.9 Disputed Amounts

(i) It is the cardholder's responsibility to ensure that all expenses listed on the online Statement issued by the NAB are correct. Where a cardholder does not agree with a transaction that appears on their Corporate Card Statement, they need to investigate this with the supplier and where necessary, lodge a dispute with the NAB through the dispute form within the credit card management system.

The cardholder should undertake the following steps when a transaction is a duplicate or is not recognised:-

(a) Contact the supplier and attempt to verify the transaction;

(b) If unable to resolve, click on the disputed transaction box within the credit card management system and complete the online form.
(c) Fax this form to the NAB at (03) 9208 5666 and provide a copy to the Corporate Card Administrator at (02) 9114 0556.
(d) Answer the online questionnaire by clicking on the "Details" dialog box. This classifies the dispute to account class 6783 and allows tracking of the transaction in dispute.

**Note:** The Corporate Card Administrator maintains a Disputed Transaction Register for reconciliation purposes.

(ii) When a cardholder lodges a dispute, the bank sends a confirmation letter acknowledging receipt of the dispute request and outlining their procedures to investigate the claim. This letter will be sent to the Corporate Card Administrator who will retain a copy, forwarding the original advising the cardholder of the confirmation from the bank. Credit Card Scheme rules gives the bank up to 90 days to resolve the dispute.

(iii) If the cardholder wins the dispute, the bank processes a credit to the cardholder's Corporate Card. This credit will appear on the on-line NAB card statement in the month the credit is granted.

(iv) Should the transaction be substantiated by the merchant's bank as having been authorised by the cardholder and was correctly charged to the cardholder's statement, a $5.00 voucher retrieval fee per investigated transaction will be debited to the cardholder's account to cover the cost of investigating the dispute.

### 2.10 Bank Fees and Charges

(i) The University is charged an annual fee for each cardholder, which is paid for the year in advance. The fee is listed on a cardholder's statement in the month the card is activated.

(ii) This fee is not charged to the cardholder's department/unit but is paid centrally by the University. It is not included in the initial debit (refer to section 3.2.1) to the cardholder's nominated account. The cardholder does not have to provide any documentation in relation to this fee or include it in the transfer journal (refer to section 3.2.2).

### 2.11 Lost or Stolen Cards

If a card is lost or stolen, the cardholder must inform the National Australia Bank for immediate cancellation (NAB dedicated telephone line 1800 033 103, 24 hours, 7 days a week). The cardholder must also inform the Corporate Card Administrator via

- email at pcardhelp@sydney.edu.au, or
- phone on (02) 9036 9424
- facsimile on (02) 9114 0556

and their Authorising Officer.

### 2.12 Increasing/Decreasing Credit Limits

(i) Cardholders must arrange the increase or decrease in monthly credit limit using the Corporate Card Profile Amendment form through their Faculty Finance Director/Associate Director Finance. For administration and professional service portfolios the Director Corporate Finance and Associate Director Corporate Finance can approve University Corporate Card applications and set monthly card limits.

(ii) The requests for increased or decreased credit limits once approved are forwarded to the Corporate Card Administrator.

(iii) The Corporate Card Administrator shall lodge the request with the National Australia Bank and the cardholder will be advised when the new credit limit takes effect.

(iv) The Chief Financial Officer will review annually all credit card limits in excess of $20,000, including the justification for the credit card limit. Where the credit card limit in excess of $20,000 relates to the procurement of goods and services, compulsory training for cardholders and authorising officers on procurement activities including preferred suppliers will be required to retain the high credit card limit.

### 2.13 Expiry of Corporate Cards/Replacement Cards

Close to the date of expiry of a Corporate Card, the National Australia Bank will automatically issue a replacement card. This renewal card will be delivered to the Corporate Card Administrator who will advise the cardholder about collection with suitable photo ID.

### 2.14 Cancellation of Corporate Cards

(i) If the cardholder resigns, moves to another department/unit or the card is no longer required, the Authorising Officer must advise the Corporate Card Administrator as well as advising whether or not there any automatic deductions linked to the card. The Corporate Card Administrator will advise when any automatic deductions and the card have been cancelled with the NAB, after which the card should be cut into pieces and forwarded to the Corporate Card Administrator.

(ii) The Corporate Card Administrator may cancel the Corporate Card or reduce the card limit to $1 where:

(a) Fraud or suspicion of fraud has been reported;
(b) Corporate card has been inactive for a period of 12 months or more;
(c) Card is lost or stolen;
(d) Corporate Cardholder has left the University;
(e) Cardholder has not provided requested documents to the Authoriser, Corporate Card Administrator or Audit and Risk Management.

(iii) The Corporate Card Administrator may cancel the Corporate Card or reduce the card limit to $1 in liaison with the Finance Director/Associate Director Finance, Director Corporate Finance or Associate Director Corporate Finance where:-

(a) There is a breach of corporate card procedure and other relevant University policies and procedures;
(b) The Cardholder has not acquitted transactions within the statement period (refer section 2.2).

## 3. Internal Controls

### 3.1 Responsibilities/Accountability

| ***Officers*** | ***Responsibilities*** |
|---|---|
| Cardholders | • Responsible for complying with the Corporate Card Procedures.<br>• Responsible for the security and safekeeping of the Corporate Card.<br>• Ensuring that the Corporate Card is not transferred or shared with any other person including University employees.<br>• Responsible for the use of the Corporate Card and for providing all supporting documentation for transactions. |
| Authorising Officers | • Review, certification and authorisation of cardholder transactions. |

| | |
|---|---|
| | • Ensure compliance with Corporate Card Procedures. |
| Corporate Card Administrator | • Overall coordination, administration and management of Corporate Cards and implementation of controls.<br>• Administration and management of cardholders.<br>• Ensure compliance with Corporate Card procedures. |

## 3.2 PeopleSoft Accounting Entries and Information

Transactions incurred on the University Corporate Cards are processed via an expense management system called Spendvision.com. These transactions, once verified, are processed for approval via electronic workflow to an Authorising Officer. Approved transactions are uploaded daily into the University's Financial System, PeopleSoft Financials.

There are two main stages in this process:-

- Initial transaction entry
- Approval process

### 3.2.1 Initial Transaction Entry

Transactions are updated daily on the bank statement in Spendvision. No accounting entries are made to the University's Finance System until the approval process has been completed.

### 3.2.2 Approval Process

(i) Corporate Card charges must be coded and approved before the 29th of the month. This involves the cardholder correctly coding the online transactions to appropriate account classes, claiming GST credits where applicable (refer to section 2.3) and applying FBT charges where applicable (refer to section 2.4).

(ii) Correct account classes, responsibility centres, project/grants, analysis codes (optional) and transaction descriptions (maximum 30 characters) must be included so the expenditure can be recorded accurately in the University's Financial System. Cardholders may also charge the transactions to different responsibility centres, project/grants and analysis codes (optional) where necessary.

(iii) Any transaction deemed to be personal expenditure **must be declined** by the authorising officer in Spendvision. The declined transaction will default to account class 1196 which requires reimbursement by the cardholder to the University.

(iv) Credits made to the Corporate Card (i.e. refunds, dispute resolution credits) should be charged against the account codes that the original debit was charged to.

(v) The cardholder must indicate the correct GST and FBT coding in the credit card management system. Imported goods have a 0% GST default setting, whilst all other transactions have a 10% GST default setting. Transactions that do not attract GST need to have the GST coding changed, eg, bread, milk, fruit and vegetables.

## 3.3 Controls/Reconciliation/Reporting Activities

(i) Expenditure incurred on University Corporate Cards must be subject to review, certification and authorisation as detailed in this procedure. Any unauthorised expenditure must be reimbursed by the cardholder or will be recovered by the University.

(ii) The Corporate Card Administrator is responsible for ensuring the total monthly Statement balances are reconciled to the direct debit from the University's bank account and the transactions recorded in the University's Financial System.

(iii) The Corporate Card Administrator will monitor the transactions processed and the use of the Corporate Cards with the Faculty Finance Teams (see section 2.8 above).

(iv) Audits are conducted at regular intervals by Audit and Risk Management.

(v) The Corporate Card Administrator follow up cardholders who do not follow relevant policies and Corporate Card Procedures or who do not provide documentation that has been reviewed, certified and authorised by the cardholder's Authorising Officer. Where deemed appropriate a card may be cancelled for non-compliance with Corporate Card Procedures and other relevant University policies and procedures.

(vi) The Corporate Card Administrator may cancel the Corporate Card or reduce the card limit to $1 where transactions are not approved or not actioned within the statement period after liaising with the relevant Finance Director, Associate Director Finance, Director Corporate Finance or Associate Director Corporate Finance.

## 4. Related Information

4.1 Resources and web links.

**(i) Training Materials**

- Spendvision User Guide
  sydney.edu.au/finance/about/spendvision_guides.

**(ii) References**

- Delegations of Authority – Administrative Functions
  sydney.edu.au/policies/showdoc.aspx?recnum=PDOC2011/72&RendNum=0
- Finance and Accounting Manual
  intranet.sydney.edu.au/working/finance-management/finance-accounting-manual/.
- Procurement Policy
  sydney.edu.au/policies/showdoc.aspx?recnum=PDOC2011/40&RendNum=0
- Tax-FBT Guide
  sydney.edu.au/policies/showdoc.aspx?recnum=PDOC2011/28&RendNum=0
- Tax - GST Guide
  sydney.edu.au/policies/showdoc.aspx?recnum=PDOC2011/30&RendNum=0
- Travel Policy
  sydney.edu.au/policies/showdoc.aspx?recnum=PDOC2011/135&RendNum=0

**(iii) Forms**

- Corporate Card Application and Agreement
  intranet.sydney.edu.au/documents/working/finance-management/finance-forms/corpcard_applic_agreement.pdf
- Corporate Card Profile Amendment
  intranet.sydney.edu.au/documents/working/finance-management/finance-forms/corpcard_profile_amend.pdf
- Corporate Card Lost or Unobtainable Receipts
  intranet.sydney.edu.au/documents/working/finance-management/finance-forms/corpcard_lostreceipts.doc

**(iv) Appendices**

- Appendix A – Corporate Card Returned Goods Procedure
- Appendix B – Corporate Card Dispute Resolution Process
- Appendix B continued – Allocation of Credit Received for a Disputed Transaction
- Appendix C – Corporate Card – 100 Point ID Verification

4.2 University Procedures superseded or replaced by this procedure:

(i) Finance and Accounting Manual

- Corporate Card Procedures: 1 October 2008

## 5. Contact and Review

### 5.1 Contact

- **Procedure interpretation, support and application**

| | |
|---|---|
| Unit: | Corporate Card Helpdesk |
| Phone: | 9036 9424 |
| Fax: | 9114 0556 |
| Email: | pcardhelp@sydney.edu.au |

- **Procedure amendments and strategy**

| | |
|---|---|
| Unit: | Director, Procurement Services |
| Phone: | 9036 9342 |
| Fax: | 9036 5386 |
| Email: | procurement.services@sydney.edu.au |

### 5.2 Review

The Chief Financial Officer will approve changes to financial procedures and guidelines and will co-ordinate changes to financial policy, with the Vice-Chancellor delegated to approve University financial and infrastructure policy.

Amendments to forms, schedules and weblinks will be processed by Financial Services.

Amendments to the Finance and Accounting Manual procedures and forms are listed on the Financial Services website under:-

- FAM Amendments
- Amendments to Forms

Please forward suggestions and comments on the Finance and Accounting Manual via the Feedback Form.

## APPENDIX A: CORPORATE CARD RETURNED GOODS PROCEDURE

This procedure outlines the process for managing the return of goods or credit note processes for those purchases acquired with the University of Sydney Corporate Card.

### Open Accounting Period

It is the cardholders responsibility to:-

1. Contact the supplier/ vendor for any items purchased using the Corporate Card that require the return of goods and need either a credit transaction or credit note prepared.

2. If the supplier/vendor will not guarantee a credit transaction the cardholder must raise this as a dispute within the credit card management system if it is within the open accounting period, i.e. this period has not yet been closed. (Refer Disputed Amounts procedure in section 2.8)

3. Once the supplier/vendor has been notified, arrangements should be made to have the good(s) returned to the supplier. Local processes vary for each supplier/ vendor on how this will be managed.

4. A Credit Transaction should be found on the online Bank Statement once the supplier/ vendor has processed this credit to the cardholder's University of Sydney Corporate Card.

5. The credit transaction must be coded to the account code where the original charges were debited. This will reverse the original transaction and have a net effect of zero on the account codes.

6. Where the supplier is unable to process a credit to the Corporate Card, the cardholder is responsible for securing a credit note from the supplier/ vendor for the good(s) returned. The credit note should be attached to the online Bank Statement for the accounting period and adjusted against future purchases with the supplier.

### Closed Accounting Period

It is the cardholder's responsibility to:-

1. Contact the supplier/ vendor for any items purchased using the Corporate Card to advise of the need to return the good(s). This must be completed at least within 90 days of the posting date of the transaction, bearing in mind the supplier may need to be advised earlier as per contract arrangements.

2. If the supplier/ vendor is not willing to guarantee a credit transaction, the cardholder must raise a manual dispute with the NAB, also advising the Corporate Card Administrator.

3. Once the supplier/vendor has been notified, arrangements should be made to have the good(s) returned to the supplier. Local processes vary for each supplier/ vendor on how this will be managed.

4. A Credit Transaction should be found on the online Bank Statement once the supplier/ vendor has processed this credit to the cardholder's University of Sydney Corporate Card.

5. The credit transaction must be coded to the account code where the original charges were debited. This will reverse the original transaction and have a net effect of zero on the account codes.

6. Where the supplier is unable to process a credit to the Corporate Card, the cardholder is responsible for securing a credit note from the supplier/vendor for the good(s) returned. The credit note should be attached to the online Bank Statement for the accounting period and adjusted against future purchases with the supplier.

## Corporate Card Administrator Responsibilities

The Corporate Card Administrator is responsible for:

1. Managing the dispute transactions logged with the financial institution (National Australia Bank) liaising as the University of Sydney representative.

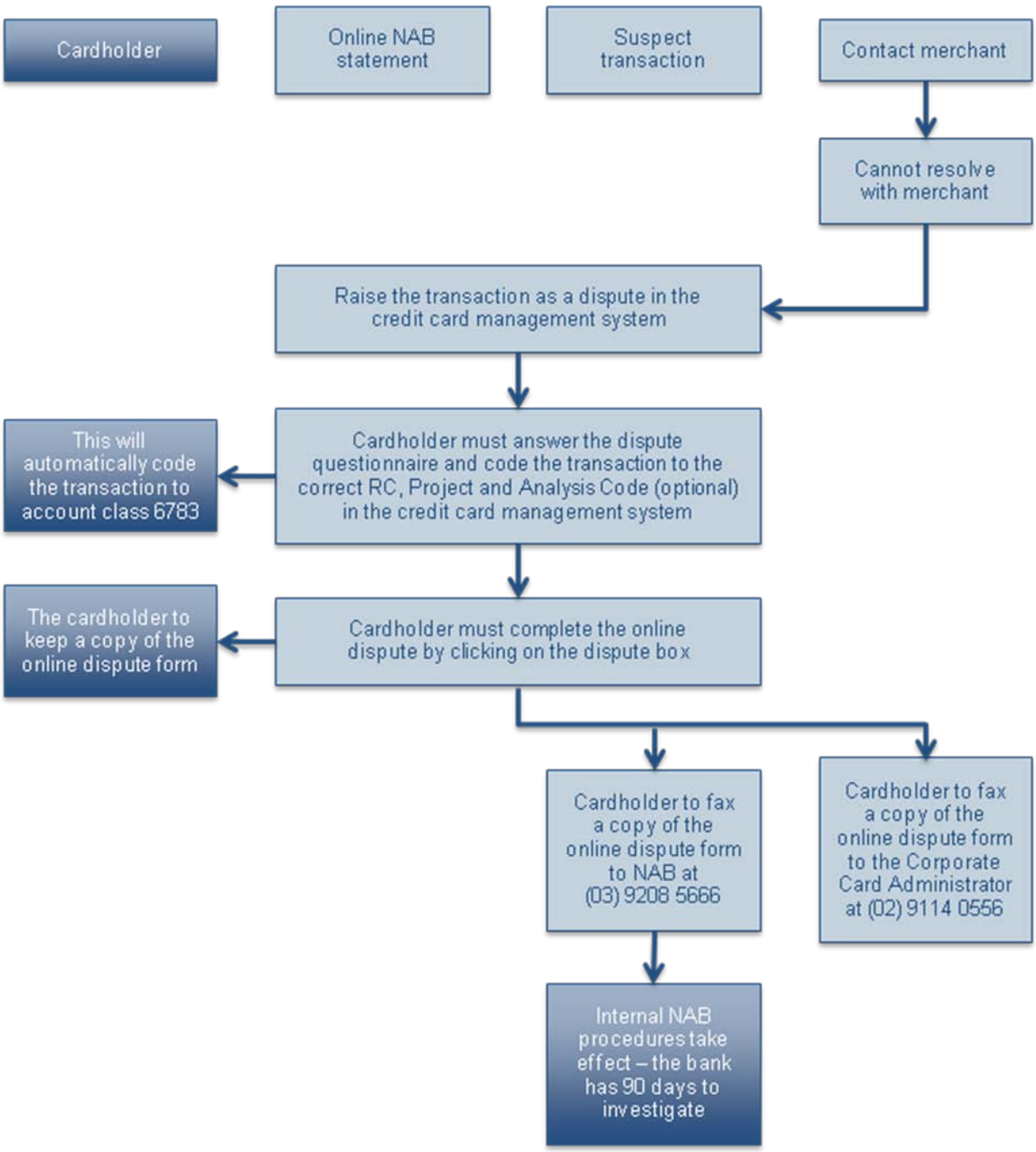
2. Assisting in the reconciliation of all disputed transactions prior to the payment of monies owing to the financial institution (National Australia Bank).

Should assistance be needed with this procedure or assistance with any Corporate Card process please contact the Corporate Card Administrator on (02) 9036 9424 or pcardhelp@sydney.edu.au

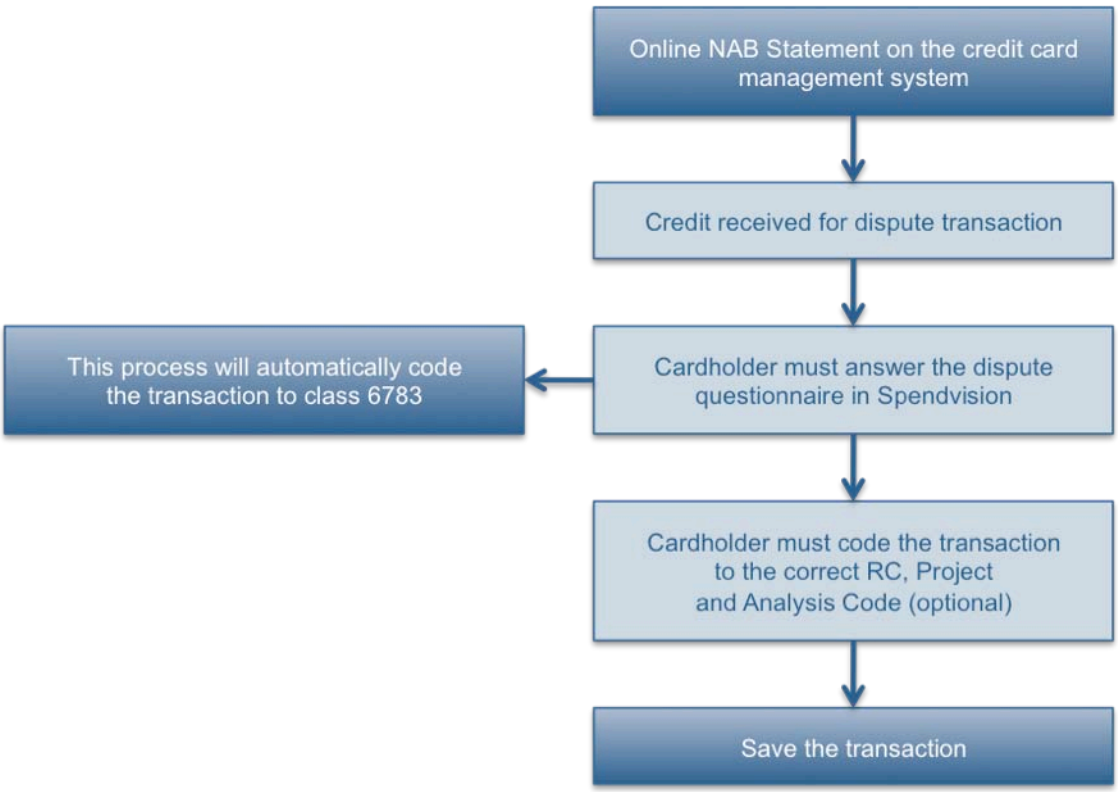
## APPENDIX B: CORPORATE CARD DISPUTE RESOLUTION PROCESS

This procedure is a guideline for processing disputes identified through the use of the Corporate Card. The following flowchart provides a view of the process that is documented within the Corporate Card Procedures, Disputed Amounts Section 2.9.

**Disputed Transaction Process**



## ALLOCATION OF CREDIT RECEIVED FOR A DISPUTED TRANSACTION



## APPENDIX C: CORPORATE CARD – 100 POINT ID VERIFICATION

Successful applicants will be required to complete a 100-point ID check with the Corporate Card Administrator or a representative to the Corporate Card Program. The identity check is registered in the banks AUSTRAC system, which is the banks computer system for registering identification checks. It is not necessary to hold or open an account with the National Australia Bank in order to satisfy the 100-point ID check. A number of University officers have completed training in the AUSTRAC system and are approved to undertake verification on behalf of the NAB.

A score of 100 points is needed before the University of Sydney Corporate Card can be issued.

A list of acceptable identification and the 'score' earned by each Identification source is listed in the 100 Points Guide.