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## 1 PURPOSE

- 1.1 This procedure outlines the requirements for the application and issue of corporate credit cards by CQUniversity. It establishes the parameters for appropriate use of corporate credit cards and the subsequent acquittal and approval of expenditure.

## 2 SCOPE

- 2.1 This procedure applies to all CQUniversity staff holding a corporate credit card issued by CQUniversity.

## 3 PROCEDURE

### Eligibility

- 3.1 Staff with a direct involvement in procurement and/or travel activities on behalf of the University will be eligible for a corporate credit card upon recommendation from the relevant supervisor, director or senior executive. Applicants must be a permanent employee of the University or be employed on a fixed-term contract with a duration of at least six months.

## Application

- 3.2 To apply for a corporate credit card, applicants must complete a Corporate Credit Card Application Form and Corporate Credit Card Declaration and Acknowledgement and forward them to the Accounts Payable Team for processing.
- 3.3 In preparing the required documentation, applicants must nominate a monthly credit limit in consultation with their supervisor. The standard credit limit for corporate credit cards is \$3,000 however higher limits may be set where it is deemed necessary for the operations of the relevant responsibility centre. All corporate credit card limits must be approved by an authorised officer of the card issuer<sup>1</sup>.
- 3.4 Upon submission of the required documentation, the Accounts Payable Team will verify and authorise the application in accordance with the University's [Delegation of Authority Policy \(FMPM\)](#). Applicants will be required to provide acceptable verification of their identification through one of the following measures:
- 100 points of identification in accordance with the University's list of acceptable documents and identification points
  - Australian or overseas issued drivers licence, or
  - evidence of an existing Commonwealth Bank account held in the applicant's name.
- 3.5 Original copies of identification must be provided and verification completed in person with an authorised verifying officer. Cardholders must contact the Accounts Payable Team to arrange verification as verifying officers are not available at all campus locations.
- 3.6 All completed applications will be reviewed by the Accounts Payable Team and must be approved by an authorised officer of the card issuer<sup>2</sup>.
- 3.7 Upon acceptance and approval of an application, the Accounts Payable Team will forward the necessary documentation to the card issuer for processing. The applicant's card will be provided by the issuer within three weeks of receipt of a full and complete application. Cards will be issued to the Finance and Planning Division and will be delivered to, or collected by the cardholder upon arrival.
- 3.8 Upon receiving their corporate credit card, cardholders must sign and activate the card prior to use. Cardholders are responsible for reviewing any documentation provided by the card issuer (e.g. Conditions of Use) and must comply with such requirements.

## Usage and exclusion

- 3.9 Corporate credit cards are provided by the University as a cost effective and efficient facility to supplement the purchasing, invoicing and travel processes of the University. They are a means of payment only and in no way substitute appropriate purchase and approval processes for the commitment of University funds.
- 3.10 All purchases made on the Corporate Credit Card must adhere to this procedure and the [Procurement Policy](#), [Principles](#) and [Procedure](#) and [Travel Policy and Procedure](#). Particular attention should be paid to any purchases using grant funding (e.g. limitations of use) and purchases that may be covered by existing government or University contracts.
- 3.11 The corporate credit card can be used anywhere MasterCard is accepted and must only be used for official University expenditure<sup>3</sup> and in accordance with any prescribed transaction limits. Cardholders must ensure they have sufficient funds available prior to making a purchase.
- 3.12 Authorised transaction methods for use of the corporate credit card include the following:
- across the counter (in person)

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<sup>1</sup> Authorised officers include the Deputy Director, Financial Accounting and Operations; Finance Operations Manager; and Accounts Payable Team Leader.

<sup>2</sup> Authorised officers include the Deputy Director, Financial Accounting and Operations; Finance Operations Manager; and Accounts Payable Team Leader.

<sup>3</sup> Recommended card usage may include supplies and consumables, travel related expenses, tools and hardware, subscriptions, books and publications, services and professional memberships and entertainment and meal expenditure (where appropriate).

- telephone payments<sup>4</sup>
  - mail, and
  - purchases under \$3000 that comply with [Procurement Policy](#), [Principles](#) and [Procedures](#).
- 3.13 The corporate credit card must not be used for the following:
- purchase of capital equipment, computer hardware, mobile phones and attractive items<sup>5</sup>
  - purchase of non-professional memberships (e.g. travel clubs)
  - cash advances, and
  - private expenditure.
- 3.14 Corporate credit cards must only be used by the cardholder and must not be given to other members of staff to act on the cardholder's behalf. Additional cards will not be issued to delegates of the cardholder.
- 3.15 Cardholders must obtain a tax invoice (or overseas equivalent) for all transactions incurred on their corporate credit card to substantiate the expenditure and enable any GST to be claimed.
- 3.16 Transactions deemed non-compliant with this procedure, the [Procurement Policy](#), [Principles](#) and [Procedure](#) or the [Travel Policy and Procedure](#) will be considered misuse of the corporate credit card and/or misappropriation of funds. Cardholders will be required to complete a Corporate Credit Card Statement of Non-Compliance and may face disciplinary action under the [Code of Conduct](#) and/or have their corporate credit card cancelled. Debt recovery processes will also be initiated in accordance with the [Collections Policy and Procedure \(FMPM\)](#).
- 3.17 Disputes between the cardholder and supervisor over what is considered a non-compliant transaction will be dealt with by the Deputy Vice-Chancellor (Finance and Planning).

### **Acceptance and acquittal of expenses**

- 3.18 All cardholders must accept and acquit all transactions on their corporate credit card in the University's Financial Management System<sup>6</sup>. It is expected that cardholders will finalise their acquittal within three weeks of the time of transaction. However, cardholders will be sent a weekly email informing them of any charges and are strongly encouraged to accept and acquit any outstanding expenditure prior to the end of the month in which the transaction occurred.
- 3.19 Cardholders must review and accept each transaction, ensuring that the expense is legitimate and was incurred by the cardholder. Where a charge appears incorrect or fraudulent, the steps detailed in the [Disputed transactions](#) section must be followed.
- 3.20 Cardholders must provide an item and costing code for each transaction. Codes can be obtained from your management accountant or administration officer within the relevant responsibility area. Cardholders must also provide a description of each transaction, ensuring that it is meaningful enough to provide relevant information on the nature of each expense.
- 3.21 Cardholders must attach a tax invoice (or overseas equivalent) to substantiate each transaction. EFTPOS receipts are not considered a tax invoice. Other supporting documentation may also be attached, where appropriate. Scanned copies of documentation is acceptable however, the original hardcopy documents should be retained by the Cardholder until such time as the transaction has been approved by the supervisor.

<sup>4</sup> When making a telephone payment, cardholders must ensure they obtain a reference number for the transaction and confirmation of their order (including the amount to be charged).

<sup>5</sup> Attractive items purchased as a gift or benefit (as defined in the [Gifts and Benefits Policy and Procedure](#)) may be purchased using a corporate credit card, where appropriate. The purchase must be in accordance with the [Gifts and Benefits Policy and Procedure](#) and a copy of the Gift Given Declaration Form included in the cardholder's acquittal.

<sup>6</sup> The University's Financial Management System for corporate card acquittals is Finance One. Tutorials on accepting and acquitting corporate credit transactions can be found on CQUniversity's Finance One System Moodle site.

- 3.22 A valid tax invoice must include the words 'tax invoice' and include the following information:
- ABN of the supplier
  - GST inclusive price of the transaction, including a statement confirming the total price includes GST
  - date of issue
  - name of the supplier, and
  - brief description of the goods or services provided.
- 3.23 Where a valid tax invoice has not been obtained, the cardholder must attach a statutory declaration outlining a summary of the transaction, including date, amount and nature of the expense. In exceptional circumstances and where the total amount of the transaction is less than \$82.50 (including GST), the cardholder may attach a written summary of the transaction without the need for a statutory declaration.
- 3.24 Where a transaction relates to an entertainment expense<sup>7</sup> (as detailed in the [Travel Policy and Procedure](#)), the cardholder must also attach a Meal Entertainment Benefits Form. Where the cardholder pays for meal expenditure relating to other travellers on official University business, a Meal Entertainment Benefits Form is not required, however the cardholder must note the names of all other travellers as part of the acquittal process.
- 3.25 Upon acceptance and acquittal of all transactions, cardholders must submit their corporate credit card transactions for review and approval by the relevant supervisor and financial delegate.

### **Approval of expenditure**

- 3.26 Supervisors will receive a notification that a staff member has submitted corporate credit card transactions for review and approval.
- 3.27 All transactions submitted for approval must be reviewed by the cardholder's supervisor in the Financial Management System and approved in accordance with the [Delegation of Authority Policy \(FMPM\)](#). Where the supervisor does not have the necessary delegation to approve the transactions submitted, they must be referred to the relevant manager, director or senior executive for approval.
- 3.28 Supervisors must ensure all transactions are reasonable and legitimate business expenses and adhere to the requirements of the [Procurement Policy, Principles](#) and [Procedure](#), and [Travel Policy and Procedure](#).
- 3.29 Where the supervisor deems an expense unreasonable, not a legitimate business expense or non-compliant with this procedure, the University will seek reimbursement from the cardholder in accordance with the University's [Collections Policy and Procedure \(FMPM\)](#).
- 3.30 Supervisors must also ensure the attached scanned copy of each receipt is of suitable quality.
- 3.31 Transactions that are not approved, require additional information or amendment, or are not accompanied by a receipt of acceptable quality, must be rejected and a justification provided to the cardholder. The Financial Management System will return such transactions to the cardholder for review and further action as required.

### **Escalation procedure**

- 3.32 The University applies a five-step approach to the escalation and follow up of outstanding corporate credit Card transactions:
- Step 1: Initial reminder. Cardholders will receive a reminder notifying them of any outstanding transactions that have not been accepted and acquitted by the due date for acquittal.<sup>8</sup>
- Step 2: Final reminder. Cardholders will receive a final reminder within three weeks of the due date for acquittal<sup>9</sup>.

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<sup>7</sup> 'Entertainment expenses' refer to meals and beverages provided for the purpose of entertainment. They may include meals paid for spouses, partners and associates of the cardholder, meals consumed in a social rather business situation or unreasonable consumption of alcohol. It also includes meals and beverages consumed as part of an entertainment experience (e.g. river boat cruise, theatre restaurant, etc.).

<sup>8</sup> within three weeks of the date of the initial transaction.

<sup>9</sup> within six weeks after the date of the initial transaction.

- Step 3: Suspension. Where a final reminder has been issued, and acceptance, acquittal and approval of outstanding expenditure has not been finalised within one week<sup>10</sup>, the cardholder's corporate credit card will be suspended and notification forwarded to the relevant supervisor and director or senior executive, where appropriate.
- Step 4: Cancellation. Where a notification of suspension has been issued, and acquittal and approval of outstanding expenditure has not been finalised within three weeks<sup>11</sup>, the cardholder's corporate credit card will be cancelled and notification forwarded to the relevant supervisor and director or senior executive, where appropriate.
- Step 5: Debt recovery. Where a corporate credit card is cancelled, the University will commence debt recovery processes for any outstanding expenditure in accordance with the [Collections Policy and Procedure \(FMPM\)](#).

3.33 All outstanding and overdue transactions are cumulative. To limit the number of emails received, cardholders with outstanding transactions across multiple time thresholds (e.g. some transactions at the initial reminder stage and some at the final reminder stage), will only receive one notification or reminder which will be issued based on the age and escalation applicable to the oldest outstanding transaction/s.

### **Disputed transactions**

- 3.34 Where the cardholder identifies a charge that appears fraudulent or incorrect, they must complete a Disputed MasterCard Transaction Form. Completed forms must be forwarded to the Accounts Payable Team within 30 days of the date of the disputed transaction. Failure to adhere to the 30 day timeframe, may result in the operational area accepting the transaction and the associated expense.
- 3.35 Upon receipt of a completed form, the Accounts Payable Team will liaise with the card issuer to investigate the transaction and determine if it is legitimate.
- 3.36 Where the card issuer determines the disputed transaction is the result of fraudulent activity, a new card will be issued in accordance with the [Lost and stolen cards](#) section.

### **Administration and security**

- 3.37 All corporate credit cards will be administered by the Finance and Planning Division. For staff located on regional campuses, some services may also be available through the relevant responsibility area.
- 3.38 Charges incurred on the corporate credit card are the responsibility of the University and not the individual cardholder (with the exception of private expenditure and instances of misuse). Use of the corporate credit card will not affect the cardholder's personal credit rating provided it is used in the manner intended by this procedure.
- 3.39 Cardholders are responsible for the security and safeguarding of their corporate credit card. Cards must be stored appropriately and not left in desks, unlocked cabinets or other locations where they may be accessible to unauthorised persons.

### **Card renewals**

- 3.40 Prior to expiry, the card issuer will issue a new card directly to the cardholder in accordance with the expiry date printed on the card.
- 3.41 Upon receiving their new card, cardholders must notify the Accounts Payable Team of their new card number to allow update in the University's Financial Management System.

### **Lost and stolen cards**

- 3.42 In the event that a corporate credit card is lost or stolen, the cardholder must notify the card provider<sup>12</sup> as soon as possible. Notification must also be forwarded to the Accounts Payable Team.

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<sup>10</sup> within seven weeks after the date of the initial transaction.

<sup>11</sup> within ten weeks of the date of the initial transaction

<sup>12</sup> The current Corporate Credit Card provider is the Commonwealth Bank. Contact can be made by phoning 131 576.

- 3.43 It is imperative that cardholders report any lost or stolen cards as soon as they become aware, as by reporting the loss the cardholder and the University are relieved of any liability for future charges incurred.
- 3.44 Where a card is reported lost or stolen, the card will be cancelled and a new one issued. If the old card is located, it must be destroyed and cannot be reinstated.
- 3.45 Upon receiving their new card, cardholders must notify the Accounts Payable Team of their new card number to allow update in the University's Financial Management System.

### **Cancellation and suspension of cards**

- 3.46 The Deputy Vice-Chancellor (Finance and Planning) may suspend or cancel an employee's corporate credit card at any time where an instance of misuse or non-compliance with statutory obligations and/or University policy and procedure has been reported and investigated. Examples may include:
- misuse or abuse of the corporate credit card
  - non-compliance with this policy and procedure and/or the [Procurement Policy](#), [Principles](#) and [Procedure](#) or [Travel Policy and Procedure](#), or
  - the cardholder undertaking an extended leave of absence from the University.

#### **End of employment**

- 3.47 Upon resignation, retirement or termination from the University, cardholders must contact the Accounts Payable Team to return and cancel their corporate credit card and finalise any outstanding payments.
- 3.48 Supervisors must ensure that all corporate credit cards are returned in accordance with the University's departure checklist prior to resignation, retirement or termination of staff in their responsibility area.

#### **Reinstatement of suspended or cancelled cards**

- 3.49 Suspended corporate credit cards may be reinstated with the approval of the Deputy Vice-Chancellor (Finance and Planning) upon full and complete acquittal of any outstanding transactions.
- 3.50 Where a corporate credit card has been cancelled, cardholders must seek the approval of the Deputy Vice-Chancellor (Finance and Planning) and refer to the [Application](#) section to apply for a new card to be issued.

#### **Extended leave**

- 3.51 Where a staff member takes periods of extended leave, it is the supervisor's responsibility to advise the Accounts Processing Team. Extended leave may include maternity leave, sick leave, leave without pay, in excess of one month.

## **4 RESPONSIBILITIES**

### **Compliance, monitoring and review**

- 4.1 The Deputy Vice-Chancellor (Finance & Planning) is responsible for implementation and overall compliance with this procedure and for ensuring its requirements are applied equitably and consistently across the University.
- 4.2 Individual responsibility centres requiring staff to purchase goods/services and/or travel, are responsible for ensuring that use of corporate credit cards in their respective area is undertaken in accordance with the requirements of this procedure.
- 4.3 The Finance and Planning Division is responsible for developing and implementing additional policy documents and guidelines as required, to support effective compliance with this procedure, including policy documents and guidelines relating to procurement and purchase of University goods and travel for official University purposes.

## Reporting

- 4.4 The University will compile data on suppliers using corporate credit card usage data to negotiate purchasing agreements that improve payment performance, simplify administrative processes, effect strong cash management processes and improve overall service delivery.

## Records management

- 4.5 Staff must maintain all records relevant to administering this procedure in a recognised University recordkeeping system.

## 5 DEFINITIONS

- 5.1 Terms not defined in this document may be in the University [glossary](#).

## 6 RELATED LEGISLATION AND DOCUMENTS

[Code of Conduct](#)

[Collections Policy and Procedure](#)

Corporate Credit Card Application Form

Corporate Credit Card Declaration and Acknowledgement

Corporate Credit Card Statement of Non-Compliance

CQU Finance One System Moodle Site (video and hard copy tutorials available)

[Delegation of Authority Policy \(FMPM\)](#)

Disputed MasterCard Transaction Form

[Financial and Performance Management Standard 2009 \(Qld\)](#)

[Gifts and Benefits Policy and Procedure](#)

Meal Entertainment Benefits Form

[Procurement Policy](#)

[Procurement Principles](#)

[Procurement Procedure](#)

[Queensland Procurement Policy](#)

[Travel Policy and Procedure](#)

[Treasurer's Guidelines for Use of Qld Government Corporate Purchasing Card](#)

## 7 FEEDBACK

- 7.1 University staff and students may provide feedback about this document by emailing [policy@cqu.edu.au](mailto:policy@cqu.edu.au).

## 8 APPROVAL AND REVIEW DETAILS

<b>Approval and Review</b>	<b>Details</b>
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Administrator	Deputy Vice-Chancellor (Finance and Planning)
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