

UTS Corporate Credit Card and Staff Reimbursements Vice-Chancellor's Directive

Abstract

This Directive provides the framework for managing UTS corporate credit cards and staff reimbursements.

Dates	Directive approved	01/11/2013
	Directive takes effect	26/11/2013
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	Directive amendment takes effect	24/01/2017
Approved by	Vice-Chancellor	
	Latest amendment: Vice-Chancellor (see change history for details)	
Implementation Officer	Chief Financial Officer (CFO), Financial Services Unit (FSU)	
Relevant to	UTS staff	
Related documents	Procurement Policy Finance Procedures Manual (PDF) Travel Vice-Chancellor's Directive and Guidelines Code of Conduct Entertainment Vice-Chancellor's Directive Records Management Vice-Chancellor's Directive Standing Delegations of Authority iExpenses User Guide (PDF) iExpenses Frequently Asked Questions FAQs (PDF) iExpenses Approver Reference Guide (PDF) Credit Card Agreement (PDF) Credit Card Application (PDF) UTS Preferred Suppliers Finance at UTS (Staff Connect) Travel website Meal Entertainment form (Excel) Meal Entertainment — Fringe Benefit Tax (UTS Tax eManual)	

	Guidelines for Authorisations to Expend Funds under Delegation 1.2, General Expenditure (PDF) Register of authorisations for expenditure of funds Enterprise agreements
Legislation	Public Finance and Audit Act 1983 (NSW) Fringe Benefit Tax Assessment Act 1986 (Cwlth) (FBT Act) State Records Act 1998 (NSW) A New Tax System (Goods and Services Tax) Act 1999 (Cwlth) Customs Act 1901 (Cwlth) DFAT's 'Consolidated List'
File number	UR13/1326
Superseded documents	Corporate Credit Card Vice-Chancellor's Directive (2006)

Contents

1. Purpose
2. Scope
3. Definitions
4. Directive principles
5. Directive statements
6. Roles and responsibilities
7. Acknowledgements
8. Version control and change history

Purpose

This Directive:

- outlines the conditions governing the issue of a UTS corporate credit card
- establishes legitimate business purposes for which the UTS corporate credit card may be used
- outlines responsibilities for the use, management, and administration of corporate credit cards
- outlines the conditions associated with the suspension and cancellation of the UTS corporate credit card
- outlines the requirements and processes for staff seeking reimbursement for expenditure incurred purchasing goods and/or services on behalf of UTS.

2. Scope

This Directive applies to the following:

- UTS staff involved in the use, supervision, management and administration of UTS corporate credit cards and the reimbursement of out of pocket expenses

- UTS staff who are in possession of a UTS corporate credit card
- UTS staff who are able to claim the reimbursement of expenses from the University for the acquisition of goods and/or services.

This Directive should be read in conjunction with the [Procurement and Payments Procedures](#) (PDF) in the Finance Manual and section 1 of the [Standing Delegations of Authority](#).

3. Definitions

Applicant means the UTS staff member applying for the UTS corporate credit card; as nominated by a Dean, Director, member of the Senior Executive or, where applicable, the staff member's manager with sufficient financial delegation.

Approver means the UTS staff member with sufficient financial delegation (or any other person temporarily appointed to act in that role) responsible for monitoring and approving business activity of staff under their supervision.

Acquittal refers to the preparation of an expense report for legitimate business transactions incurred by a UTS staff member, including the provision of sufficient information for the processing of these transactions by FSU.

Asset means a physical item with a purchase price over \$5000, which will be used by the University for more than one year from the date of purchase.

Cardholder means the UTS staff member whose name appears on the UTS corporate credit card.

Card limit means the maximum amount that may be expended on the UTS corporate credit card in a single month.

Chief Financial Officer (CFO) refers to the person appointed as the University's Chief Financial Officer or equivalent, and includes anyone fulfilling that role on a temporary basis or any nominee of the Chief Financial Officer.

Credit Card Agreement means the official agreement between the University, the cardholder and the cardholder's manager, regarding the use and management of the UTS corporate credit card.

iExpense Procedures means the detailed instructions published on the FSU website to guide staff in the application of this Directive, including specific instructions regarding Neo (Oracle) UTS Internet Expenses.

Expense report means a Neo (Oracle) UTS Internet Expenses generated report that details the expenses incurred by the UTS staff member for a specified period. An expense report may include UTS corporate credit card transactions and/or out of pocket expense claims.

Fringe benefits means benefits paid to an employee (or associate) in respect of employment, such as a car, car parking, entertainment and payments of private expenses. Fringe benefit tax is the tax payable on the provision of fringe benefits.

FSU Expense Management Officer means the UTS staff member in FSU appointed to undertake the administrative work associated with the UTS corporate credit card and reimbursement of expenses.

Goods and Services Tax (GST) means a value-added tax of 10 per cent levied on most goods and services sold for domestic consumption.

Manager means the UTS staff member's direct supervisor, line manager or any person temporarily appointed to act in this capacity.

Nominator means a member of the Senior Executive, Deans, Directors or any other staff member with appropriate financial delegation recommending the issue of a UTS corporate credit card for a UTS staff member.

Official records refers to records, whether physical or electronic, that are officially made or received by UTS in the conduct of its business or by officers in the course of their duties. Official records include, but are not limited to, letters, memos, faxes, emails, reports, forms; which document activities, advice, and decision-making processes. Official records can also include registers, books, maps, drawings, plans, photographs, film, computer records, and sound and video recordings. Also referred to as a State record under the State Records Act 1998 (NSW). Official records are registered in TRIM.

Staff reimbursement means the repayment of monies to UTS staff members for the purchase of goods and/or services for legitimate UTS business, using their own funds.

Tax invoice means a document that is issued by the supplier or service provider that complies with the following points, as required by the Australian Taxation Office in [A New Tax System \(Goods and Services Tax\) Act 1999 \(Cwlth\)](#):

- is issued by the supplier
- is dated
- contains the supplier's identity and ABN (Australian Business Number)
- contains a brief description of the good/service provided and the price
- includes the amount of GST (if any) payable for each sale.

UTS corporate credit card means a credit card issued through the University to a staff member for the purposes of procuring goods and/or services in the course of University business.

UTS Internet Expenses (also referred to as iExpenses) means the module within Neo (Oracle) where staff can create expense reports.

4. Directive principles

This Directive has been developed to ensure that:

- a UTS corporate credit card may be issued to eligible staff subject to recommendation by a Nominator
- UTS corporate credit card purchases are made on behalf of the University for legitimate business purposes only
- prudence, economy and efficient use of public sector funds is exercised in the use of the UTS corporate credit card and when purchasing on behalf of the University
- appropriate authorisation is obtained to minimise fraud risk to the University
- UTS corporate credit card and reimbursement practices are appropriately documented and effectively executed.

In line with the principles guiding the [Standing Delegations of Authority](#), authorisation to operate a UTS corporate credit card does not of itself confer on a staff member a delegation to commit or expend funds.

5. Directive statements

5.1 UTS corporate credit card

5.1.1 Eligibility criteria

A Nominator may recommend to the CFO that a UTS corporate credit card be issued to a staff member who is employed on a continuing or fixed term basis. Requests for a UTS corporate credit card to be issued to staff members employed on a casual basis will require a business case in writing to be submitted to FSU and endorsed by the relevant Nominator.

The Nominator must establish a legitimate business requirement that includes, but is not necessarily limited to:

- travel (local or international) in the course of University duties
- frequent necessity for undertaking business entertainment in the course of University duties
- the regular purchase of minor goods and/or services for use by, or on behalf of the University, such as staff amenities, technical supplies or external training for staff.

Only one UTS corporate credit card may be issued to any staff member. Before being issued with a credit card the staff member must complete Neo (Oracle) UTS Internet Expenses training (iExpenses).

Honorary appointees are not eligible for a UTS corporate credit card. Contractors are not eligible for a UTS corporate credit card.

The eligibility of all cardholders will be subject to regular review by FSU. UTS corporate credit cards issued to staff who are no longer eligible will be withdrawn and subsequently cancelled.

5.1.2 Approval

The CFO is responsible for assessing the UTS corporate credit card application and the stated business requirements, and for making decisions based on the information provided in the application.

The CFO may accept the recommendation and issue the credit card provided:

- the Nominator has in place effective systems for ensuring timely and accurate acquittal of credit cards that are in line with this Directive
- the [Corporate Credit Card Application](#) (PDF) and the [Credit Card Agreement](#) (PDF) have been correctly completed and signed
- the recommended card limit is within the guidelines issued by the CFO (see section 5.1.4 on limits)
- the applicant's manager has signed the Credit Card Agreement
- there is no indication that the applicant should not be issued with a credit card.

The CFO may, from time to time, approve the issue of a credit card for a specific or singular purpose.

5.1.3 Use

The use of the UTS corporate credit card should be in accordance with UTS policies, procedures and guidelines, in particular the [Procurement Policy](#) and the [Travel Vice-Chancellor's Directive](#). A [UTS Preferred Supplier](#) must be used whenever goods and services are being procured and covered by a Preferred Supplier Agreement.

All transactions on the UTS corporate credit card must legitimately further the interests of the University.

The UTS corporate credit card is intended for use while on business travel, business entertainment and for the purchase of minor or urgent supplies (less than \$2000).

Purchases using the UTS corporate credit card must be within the relevant approved budget.

The cardholder is responsible for all charges placed on the UTS corporate credit card.

All refunds for goods and/or services must be credited against the UTS corporate credit card.

Purchases using the UTS corporate credit card are not confidential and are open to scrutiny by the Senior Executive, the cardholder's manager, FSU staff and Internal and External Audit.

The cash access option is not available on the UTS corporate credit card.

The use of the UTS corporate credit card is not permitted for the purchase of IT goods and services, building fit-out and furniture, assets, internal UTS purchases or transfers. For information on these types of purchases, contact FSU.

Improper use of the UTS corporate credit card may render the cardholder liable to disciplinary action, legal action or criminal prosecution.

Guidance on tipping

Consistent with expected standards of accountability and the efficient use of public sector funds, tipping using University funds is not encouraged by the University.

Where tipping does occur, it must be within the guidelines set in the [Entertainment Vice Chancellor's Directive](#) and the [Travel Vice-Chancellor's Directive](#).

Personal expenditure

Under no circumstances must expenditure of a personal or private nature be incurred on the UTS corporate credit card.

Where the expenditure consists of both a business and personal component, payment of these should be reflected accordingly. That is, the business component paid using the UTS corporate credit card and the personal component using staff personal funds.

Where suppliers will only accept one form of payment, the total expenditure should be paid using the staff personal funds and reimbursement sought for the business component.

Prohibited or restricted goods

The University is prohibited from importing certain goods under the [Customs Act 1901 \(Cwlth\)](#) and must seek to not breach such regulations. Prior to commencing the acquisition of goods from an external supplier, if this involves or could potentially involve the importation of goods, the initiator is to check whether they are [prohibited or restricted](#) under this Act.

Staff purchasing goods on the UTS corporate credit card are responsible for ensuring that the supplier or merchant is not listed on the [Department of Foreign Affairs and Trade's Consolidated List](#). If the supplier or merchant is listed on this website, contact UTS Legal Services prior to the transaction occurring.

5.1.4 Limits

The expenditure limit for a UTS corporate credit card must be within the guidelines issued by the CFO. The limit for a UTS corporate credit card is \$2000.

An expenditure limit of greater than \$2000 is to be determined after consultation with the Dean or Director. This limit should be commensurate with the cardholder's business requirements for using the UTS corporate credit card and have regard to the cardholder's experience and seniority.

Requests for an increase in monthly expenditure limits require a business case in writing, and must be endorsed by the relevant Dean, Director or Senior Executive member and submitted to FSU for consideration and approval.

5.1.5 Cancellation

The UTS corporate credit card will be cancelled by the FSU Expense Management Officer if the cardholder:

- ceases employment with UTS, or
- takes a period of extended leave (greater than eight weeks) from their University duties, such as long service leave, parental leave or extended leave without pay.

The UTS corporate credit card may also be cancelled at the discretion of the CFO. The following circumstances will cause the CFO to consider the cancellation of the card:

- the UTS corporate credit card is not correctly acquitted on a regular and timely basis
- expenses are not submitted for approval on a regular and timely basis
- correct and complete documentation is not forwarded to the FSU Expense Management Officer on a regular and timely basis
- the UTS corporate credit card is used other than in accordance with this Directive, particularly section 5.1.3 on prohibited or restricted goods.

5.1.6 Outstanding acquittals

In the event the balance of a UTS corporate credit card is outstanding for 60 days or more:

- the monthly card limit may be reduced at the discretion of the CFO
- a notice will be issued by FSU to the cardholder to correctly acquit those outstanding amounts within one month, failing which, the UTS corporate credit card is to be cancelled by the FSU Expense Management Officer
- where the UTS corporate credit card is cancelled, a new application will not be accepted within six months of the cancellation date.

5.2 Staff reimbursements

Staff members who purchase goods or services for legitimate UTS business purposes using their own cash or other resources can be reimbursed through Neo (Oracle) iExpenses.

It is expected that staff members will endeavour to use a UTS corporate credit card or purchase order as the preferred means of purchasing goods and/or services. Staff members should only use their own cash or other resources as a last resort.

Staff members may only use personal funds to purchase goods and/or services on behalf of the University for low value goods and services, and where there are no other means available. This includes but is not limited to the following circumstances:

- when a UTS corporate credit card fails to work
- when a UTS corporate credit card is lost or stolen (or otherwise cancelled) during business travel
- if the staff member is located in an area where credit card facilities are not available and a travel advance was not organised prior to departure.

Where a UTS corporate credit cardholder uses their personal credit card to purchase goods and/or services on behalf of the University, proof of payment is required and must be attached to the expense report.

Staff members should submit out-of-pocket expense claims within three weeks of the receipt/invoice date. Any reimbursements submitted more than three months after the receipt/invoice date require written justification signed by the relevant Dean, Director or Senior Executive and attached to the expense report.

The [iExpense Procedures](#) (PDF) outlines in detail how to correctly acquit UTS corporate credit card and out-of-pocket expenses.

5.3 UTS corporate credit card and staff reimbursement records

UTS staff members are responsible for keeping a record of their individual UTS corporate credit card purchases and cash reimbursements.

Original documentation must be retained on official record by UTS staff members for a period of seven years after the financial year audit has been completed, and in accordance with the [Records Management Vice-Chancellor's Directive](#).

It is recommended the original documentation be filed with the relevant expense report cover page.

If the staff member leaves the University or moves to another faculty/unit, these records are to be retained by the relevant unit or faculty specified on the expense reports.

5.4 Goods and Services Tax (GST)

A tax invoice must be obtained for all transactions (staff reimbursements and UTS corporate credit card) that are inclusive of GST.

The University is liable to pay GST and is eligible in many instances to claim a GST input-tax credit.

It is UTS policy to ensure that in all applicable cases sufficient records are kept to enable tax credits to be claimed.

Where a tax invoice is not obtained, the University cannot claim input tax credits for the transaction. The nominated organisation unit will consequently be charged the gross amount (total amount inclusive of GST). A [substitute receipt](#) (PDF) must be completed, signed and attached to the expense report.

5.5 Fringe Benefits Tax (FBT)

Staff members who make purchases with the UTS corporate credit card or seek reimbursement should familiarise themselves with the types of fringe benefits that may arise with certain types of expenditure.

Where the expenditure relates to entertainment, staff members 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 relevant [FSU forms](#).

The FBT liability will be allocated in Neo for each relevant transaction.

5.6 Breaches of the Vice-Chancellor's Directive

The CFO has overall accountability for financial management and is therefore responsible for enforcing this Directive.

All suspected breaches of this Directive should, in the first instance, be reported to the relevant Dean, Director or a member of the Senior Executive, who will then report the matter to the CFO. In the case of misconduct, the breach will be referred to the Deputy Vice-Chancellor (Corporate Services).

The CFO will be responsible for initiating action to investigate suspected breaches and will liaise with appropriate officers of the University to ensure that breaches are dealt with and appropriate corrective action taken.

Breaches of this Directive will be dealt with in accordance with the [Code of Conduct](#), the [Enterprise Agreement](#) and relevant laws applicable at the time.

6. Roles and responsibilities

Accountable Officer: The Deputy Vice-Chancellor (Resources) has overall responsibility for this Directive and is responsible for authorising corrective action to rectify all breaches of this Directive. The Deputy Vice-Chancellor (Corporate Services) is responsible for managing cases of misconduct arising from staff being in breach of this Directive.

Implementation Officer: The Chief Financial Officer (CFO), FSU, is the primary point of contact for advice on implementing and administering the Directive, for establishing and maintaining the official record, for proposing amendments as required and for managing the consultation process when the Directive is due for review.

Other positions and committees:

Cardholder

Cardholders must agree to the terms of the Credit Card Agreement by signing the Agreement before the card is issued.

Cardholders are responsible for ensuring that their UTS corporate credit card is used only for approved legitimate business expenses.

Cardholders must submit expense reports together with all relevant documentation, including original tax invoices, to their manager for approval within 14 days of the end of the month of purchase unless an extension has been granted by the CFO.

Cardholders are responsible for ensuring that invoices for goods and/or services purchased using the UTS corporate credit card are not presented separately to FSU for payment.

Cardholders must retain original documentation on official record for a period of seven years after the financial year audit has been completed and in accordance with the Records Management Vice-Chancellor's Directive.

Cardholders must not claim cash reimbursements through Neo (Oracle) UTS Internet Expenses or any other means for goods and/or services purchased using the UTS corporate credit card.

Cardholders are responsible for ensuring they have had appropriate training and sufficient knowledge of the Neo (Oracle) UTS Internet Expenses module to correctly acquit their UTS corporate credit card transactions.

Lost or stolen cards must be reported immediately in accordance with the instructions issued with the UTS corporate credit card.

Where a cardholder does not agree with a transaction that appears in Neo (Oracle) UTS Internet Expenses, they need to investigate this with the supplier and, where necessary, lodge a dispute with the issuing bank and inform FSU.

Where a cardholder takes an extended period of leave (greater than eight weeks), the card must be surrendered to the cardholder's manager, who will pass it to FSU for cancellation. Exceptions may be approved by the CFO, after consultation with the relevant member of the Senior Executive.

On or before the last day of employment at UTS, cardholders will surrender the UTS corporate credit card to their manager and ensure all transactions are acquitted and documentation is submitted.

Manager

The cardholder's manager must sign the Credit Card Agreement before the card is issued.

The cardholder's manager is responsible for ensuring the cardholder acquits all card transactions each month in accordance with the University's procedures.

The cardholder's manager must ensure all transactions are validly incurred for legitimate business purposes.

The cardholder's manager is required to verify and approve all transactions (UTS corporate credit card and staff reimbursements) in accordance with this Directive. This includes ensuring the staff member has supplied all supporting documentation, such as tax invoices and relevant forms (eg Meal entertainment form).

The cardholder's manager must ensure original documentation is retained for a period of seven years after the financial year audit has been completed and in accordance with the Records Management Vice-Chancellor's Directive.

The cardholder's manager must follow up any inappropriate or unjustified transactions with the cardholder immediately. Suspected breaches of this Directive must be referred to the relevant Dean, Director or Senior Executive who will report the matter to the CFO. Breaches of this Directive that may constitute misconduct must be reported to the Deputy Vice-Chancellor (Corporate Services).

Where a cardholder ceases to be employed by UTS, or takes a period of extended leave, the cardholder's manager is responsible for withdrawing the card and notifying the FSU Expense Management Officer in FSU promptly.

Financial Services Unit (FSU)

FSU will be responsible for the administration of the UTS corporate credit card and staff reimbursements.

FSU will communicate to all staff members regarding changes or amendments to this Directive and the procurement and payments procedures.

FSU will ensure applications for the UTS corporate credit card are in accordance with this Directive before forwarding the application to the issuing bank.

FSU will maintain records in Neo (Oracle) UTS Internet Expenses of expense reports including all essential documentation.

Where a staff member is in breach of this Directive, the CFO will make recommendations regarding the cancellation of the UTS corporate credit card to the Deputy Vice-Chancellor (Resources). FSU will then cancel the UTS corporate credit cards promptly in accordance with this Directive where required.

FSU Expense Management Officer

The FSU Expense Management Officer will ensure both the cardholder and the cardholder's manager have signed the credit card agreement before the UTS corporate credit card is issued to the cardholder.

The FSU Expense Management Officer will process correctly completed expense reports in a prompt and timely manner.

The FSU Expense Management Officer is responsible for managing the cancellation of UTS corporate credit cards.

7. Acknowledgements

Australian Tax Office

8. Version control and change history

Effective date	Version	Approved by (date)	Amendment
26/11/2013	1	Vice-Chancellor (01/11/2013)	Original Directive.
24/07/2014	1.1	Vice-Chancellor (09/07/2014)	Inclusion of section 5.1.6 dealing with outstanding acquittals.
22/07/2015	1.2	Director, Governance Support Unit (GSU) (09/03/2015)	Changes (approved under Delegation 3.17) to update references to the UTS General Rules (G4).
24/01/2017	1.3	Vice-Chancellor (01/12/2016)	Amendment to section 4 to make reference to Delegation principle 15 of the Standing Delegations of Authority.