



University of  
South Australia

# **CREDIT CARD POLICY**

**UNIVERSITY OF SOUTH AUSTRALIA**



## DOCUMENT CONTROL SHEET

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### Revision History

Revision	Section	Change	Date	Who
1.0	All	Initial version	1 July 2010	
1.1	All	Refreshed layout and updated internal document links	January 2020	Chief Financial Officer
1.2	All	Various changes following external review and reformatting of main body. Re-issued as a Management Policy.	September 2021	Vice Chancellor



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## Purpose

This policy details the requirements for issue of credit cards by the University, and the conditions applying to their use. It covers:

- types of credit card issued by the University (**Section 1**)
- credit limits applying to each type of credit card (**Section 2**)
- the approval procedure for issuing of credit cards (**Section 3**)
- conditions applying to use of credit cards (**Section 4**)
- business rules applying to credit card purchases (**Section 5**)
- business rules applying to cash withdrawals (**Section 6**)
- business rules applying to acquittal of credit card transactions (**Section 7**)
- conditions under which credit card privileges may be withdrawn (**Section 8**)
- relevant terminology (**Section 9**).

## Responsibilities

The Chief Financial Officer (CFO) will ensure organisation-wide adherence to this policy.

The Vice Chancellor is the approving authority for this policy.

The responsibilities of staff using University credit cards, or engaged in work related to this policy, are detailed in the policy and its related procedures.

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## ISSUE AND USE OF UNIVERSITY CREDIT CARDS

### 1. Types of Cards

The University issues two types of University credit card:

1. A **Corporate Card** that can be used to pay for:
  - a) costs incurred on approved University travel for ground transport, accommodation and subsistence expenses, and
  - b) ad hoc purchases of [Low Value Goods and Services](#).
2. A **Purchasing Card** that can be used only for the purchase of [Low Value Goods and Services](#).

### 2. Credit Card Limits

The standard monthly credit limit for a University credit card is \$2,000.

Temporary or permanent variations to the monthly credit limit for a University credit card must be approved by the Chief Financial Officer ('CFO') or nominee.

Requests for variation to the credit limit must be endorsed by the [Cardholder's Endorsing Manager](#). The [Endorsing Manager](#) should review [Cardholder](#) credit limits at least annually.

The CFO has authority to reduce a [Cardholder's](#) monthly limit for any breaches of this policy.

### 3. Approval Procedure for Issuing of University Credit Cards

[Eligible Staff](#) may be issued with a University credit card.

The CFO (or nominee) may approve the issue of a University credit card.

An application for a University credit card must be submitted to the Finance Unit on a [Credit Card Request Form \(FS52\)](#) and be endorsed by the [Cardholder's Endorsing Manager](#). This endorsement cannot be sub-delegated.

On application the [Endorsing Manager](#) must assign an [Approving Manager](#) for the [Cardholder](#), and approve any subsequent variation to the [Cardholder's Approving Manager](#).

### 4. Conditions of Use

Holders of University credit cards must observe the following conditions of use:

1. University credit cards must be used only by the [Cardholder](#).
2. Issue of a University credit card does not imply expenditure authority.
3. An [Endorsing Manager](#) may use their University credit card only for purchases authorised through an appropriate level of financial delegation or sub-delegation via the [Vice Chancellor's Authorisations framework](#).
4. [Reasonable University Expenditure](#) can be incurred without prior approval for:
  - a) local travel expenditure (i.e. public transport, taxi services, rideshare services and parking), and
  - b) ground transport, accommodation and subsistence expenses relating to approved University travel.For all other expenses, a [Cardholder](#) must obtain prior approval from their [Approving Manager](#) to commit expenditure on their University credit card.
5. [Cardholders](#) are responsible for the security of their University credit card details and physical safeguarding of their card.
6. [Cardholders](#) must notify the Finance Unit and the issuing bank immediately if their card is lost or stolen, or they suspect fraudulent use of their University credit card.
7. All University credit card transactions should be acquitted by the [Cardholder](#) in [ProMaster](#) within 30 days of the transaction date.
8. [Cardholders](#) must not use their University credit card if their employment has been suspended or terminated.
9. University credit cards must not be used in circumstances that contravene the intent of other University policies, government regulations or legislation.

Any breach of these conditions or of the business rules detailed in Sections 5, 6 and 7 below, if established, may be deemed misconduct or serious misconduct and result in disciplinary action in accordance with the relevant industrial instrument.

### 5. Business Rules Applying to Credit Card Purchases

The following business rules apply to credit card purchases:

1. University credit cards must only be used for [Reasonable University Expenditure](#).
2. University credit cards must only be used in relation to approved University travel or expenditure authorised in accordance with sub-point 4 in Section 4 above.



3. University credit cards must not be used for [Private Expenses](#). The University reserves the right to recover the full amounts of any [Private Expenses](#) which have not been repaid. If [Private Expenses](#) are incurred, the [Cardholder](#) must complete an [Authority to Recover Credit Card Non-Business Expenses Money Owed \(FS57\)](#) in the [ProMaster](#) transaction record within 30 days of the date of the expenditure.
4. When a University credit card is used as a method of online payment via a third-party payment solution (e.g. PayPal), the [Cardholder](#) will attach to the transaction the supplier's [Valid Tax Invoice](#), order confirmation e-mail and the payment solution's receipt in support of the acquittal.
5. [Cardholders](#) must report all [Disputed Transactions](#) to [ProMaster@unisa.edu.au](mailto:ProMaster@unisa.edu.au) immediately on becoming aware of the dispute.
6. University credit cards must not be used for *prohibited* goods and/or services detailed on the list of [Restricted Credit Card Transactions](#).
7. University credit cards may be used for *conditional* goods and/or services detailed on the list of [Restricted Credit Card Transactions](#) only when the conditions stipulated have been met.
8. All travel-related expenditure incurred on University credit cards must comply with the University's [Travel Guidelines](#).
9. University credit cards must not be used for ongoing routine purchasing transactions when more efficient or appropriate forms of purchasing and payment could be established.
10. [Cardholders](#) must not split or spread higher value transactions to circumvent card limits or their Vice Chancellor's Authorisation.
11. When there are multiple [Cardholders](#) present at a meal or entertainment, expenditure is to be incurred on the most senior [Cardholder's](#) University credit card.

## 6. Business Rules Applying to Credit Card Cash Withdrawals

The following business rules apply to credit card cash withdrawals:

1. Cash withdrawals are only permitted by [Eligible Staff](#) required to travel overseas on behalf of the University, or when approved by the CFO (or nominee).
2. Cash withdrawals are principally intended for the purchase of foreign currency to cover incidental costs when a facility to pay by credit card does not exist.
3. [Cardholders](#) should limit cash withdrawals to less than the equivalent of AU\$100 per day of travel to a maximum of AU\$500 at a time to minimise cash security risk. For any additional daily amounts, written approval must be obtained from the [Cardholder's Approving Manager](#) prior to travel overseas.
4. All expenses relating to cash withdrawals must be acquitted in [ProMaster](#) within 30 days of return from travel.
5. [Cardholders](#) are generally encouraged to convert unused foreign currency to Australian Dollars on return from travel. Irrespective of any future travel plans, any surplus cash must be repaid to the University within 30 days of return from travel in accordance with sub-point 6 below.
6. Repayments of surplus funds must be made through [ProMaster](#) by means of a payroll deduction by completion of an [Authority to Recover Credit Card Non-Business Expense Money Owed \(FS57\)](#) in the [ProMaster](#) transaction record. When a [Cardholder](#) does not arrange repayment via a payroll deduction, the University reserves its right to reimbursement of expenses not acquitted.
7. Delays in acquittal of cash withdrawals or return of surplus funds may result in the unacquitted funds being treated as a loan to the [Cardholder](#) and [Fringe Benefits Tax \(FBT\)](#) being charged to the appropriate cost centre (based on a notional interest rate) until the loan is repaid.

## 7. Business Rules Applying to Acquittal and Approval of Credit Card Transactions

The following business rules apply to acquitting and approving credit card transactions:

1. All University credit card transactions must be acquitted in [ProMaster](#) within 30 days of the transaction.
2. [Cardholders](#) may, with the approval of their [Approving Manager](#), appoint a delegate to acquit transactions on their behalf. [Cardholders](#) who are also [Endorsing Managers](#) do not require approval to appoint a delegate to acquit transactions on their behalf.
3. [Cardholders](#) must provide a [Valid Tax Invoice](#) and sufficient information (e.g. purpose and description of the expense) to allow for the correct coding of the expenditure.
4. If a [Valid Tax Invoice](#) is misplaced, a request for a duplicate must be made by the [Cardholder](#) to the supplier.
5. If documentation is lost or incomplete, the [Cardholder](#) must include a [Declaration Regarding Unavailable Documentary Evidence Form \(FS56\)](#) in the [ProMaster](#) transaction record.
6. Expenditure will only be approved when it is [Reasonable University Expenditure](#) accompanied by a [Valid Tax Invoice](#) or a completed [Declaration Regarding Unavailable Documentary Evidence Form \(FS56\)](#).



7. In the event of resignation, or suspension or termination of duties, from the University, the **Cardholder** must:
  - a) acquit all expenditure, and
  - b) surrender their card to their **Approving Manager**
 at the time of notification of the suspension or termination of duties, or during the period of notice associated with their resignation. When this does not occur, the University may deduct any amounts not acquitted from the **Cardholder's** final pay.
8. Irrespective of the appointment of a delegate by a **Cardholder**, the **Cardholder** is responsible for the completeness and accuracy of all documentation relating to credit card expenditure and acquittal.
9. An **Approving Manager** may instruct a **Cardholder** to provide clarification or additional documentation on their University credit card expenditure. Such a request, and all related correspondence, will be in writing (or via **ProMaster**). The clarification sought must be provided to the **Approving Manager** by the **Cardholder** within 10 business days of the request being issued. Any extension to this timeline will be confirmed in writing by the **Approving Manager**.

## 8. Suspension or Cancellation of Credit Cards

After consultation with the **Cardholder's Approving Manager** and **Endorsing Manager**, a University credit card may be suspended or cancelled by the CFO (or nominee) in any of the following circumstances:

- Non-compliance with this policy
- Misuse by the **Cardholder** including expenditure that is not **Reasonable University Expenditure**
- Failure to acquit expenditure in accordance with this policy
- The nature of the **Cardholder's** role/position changes
- The **Cardholder's Approving Manager** or the CFO deems there is no further business requirement for a University credit card.

In the event that a University credit card is deemed to have been compromised (e.g. the **Cardholder** ceases to be solely accountable for all transactions on the card or there is fraudulent card use), the card may be cancelled immediately by the CFO (or nominee) without consultation with the **Cardholder's Approving Manager** and **Endorsing Manager**. The **Cardholder** will be notified as soon as possible if this occurs and a new card issued, if appropriate.

## 9. Glossary

<b>Approving Manager</b>	<p>The staff member (who may also be the <b>Endorsing Manager</b>) responsible for reviewing and approving credit card activity of <b>Cardholders</b> under their management supervision. Approving Managers must hold a sufficient delegation or sub-delegation via the <a href="#">Vice Chancellor's Authorisations framework</a>.</p> <p>Approving Managers review University credit card expenditure and cash withdrawals to ensure they comply with the provisions of this policy. This responsibility cannot be delegated to another staff member.</p> <p>Approving Managers who fail to appropriately manage the credit card activity of <b>Cardholders</b> under their supervision may be subject to disciplinary action in accordance with the relevant industrial instrument.</p>
<b>Cardholder</b>	The <b>Eligible Staff</b> member whose name appears on the University credit card and who is responsible for its use, security and physical safekeeping.
<b>Eligible Staff</b>	<p>Continuing or fixed term staff members occupying positions that (i) require regional, interstate or overseas travel more than twice a year; and/or (ii) have a regular and demonstrated need to purchase goods and services on behalf of the University.</p> <p>Only Eligible Staff will be issued with a University credit card. Exceptions will be made only when an application is endorsed by the appropriate <b>Endorsing Manager</b> and approved by the CFO (or nominee).</p>
<b>Endorsing Manager</b>	A staff member within the applicant's Academic Unit, Institute or central administrative unit with authority under sections 1.1.a to 1.1.e of the <a href="#">Vice Chancellor's Authorisations framework</a> or the 'Other Manager (General Manager AU) profile'.
<b>Fringe Benefits Tax (FBT)</b>	FBT is a tax imposed on the University when providing benefits to staff and associates in certain prescribed circumstances, particularly with respect to travel and entertainment, and those expenses of a private nature or expenses when the University does not hold evidence of business use. When FBT applies to an expense, the cost of that expense increases by 98% (when subject to Goods and Services Tax) or 89% (for GST-free/non-taxable items).



<b>Low Value Goods and Services</b>	Goods and services when the total value does not exceed the <u>lesser</u> of: <ul style="list-style-type: none"><li>• \$2,000 (including GST) – except when approved in writing by the CFO (or nominee), or</li><li>• the <b>Cardholder's</b> financial delegation under the <a href="#">Vice Chancellor's Authorisations framework</a>.</li></ul>
<b>Private Expense</b>	Any expense incurred which is not related to University business.
<b>ProMaster</b>	The University's Expense Management System. Used to manage the acquittal of credit card transactions, staff reimbursements and cash withdrawals.
<b>Reasonable University Expenditure</b>	Expenditure when the <b>Cardholder</b> is able to justify both the purpose and amount spent as being necessary for the performance of their duties and/or genuinely beneficial to the University, and having regard for: <ul style="list-style-type: none"><li>• prudence</li><li>• community standards, and</li><li>• comparable prices for like goods and services.</li></ul>
<b>Valid Tax Invoice</b>	<p>To be valid, a tax invoice for purchases from within Australia less than \$1,000 (including GST) must be provided by the merchant and contain:</p> <ul style="list-style-type: none"><li>• the words 'tax invoice' stated prominently</li><li>• the name and ABN of the supplier</li><li>• the date of issue of the tax invoice</li><li>• a brief description of the goods or services sold, and</li><li>• total price of the sales (including GST).</li></ul> <p>For purchases from within Australia of \$1,000 and over (including GST) an invoice must contain the above information plus:</p> <ul style="list-style-type: none"><li>• the name and address of the recipient, and</li><li>• the quantity of the goods or the extent of the services sold.</li></ul> <p>When purchases are made from overseas over AU\$50, an invoice must be provided by the merchant and contain information to identify the seller, the quantity and description of the goods and services, total price of sale (including any taxes), date of issue and, for PayPal (or equivalent) transactions, a Transaction ID.</p>