



**Australian Government**

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**Office of the Australian Building and  
Construction Commissioner**

# **Finance Direction 12**

## **Purchasing Card**

**Process Owner:** Chief Financial Officer  
**Version Number:** 2.0  
**Effective Date:** 22/8/2011



## Change History

Update the following table as necessary when this document is changed:

Date	Nature of Change
June 2007	Procedure Drafted
May 2008	Approved version
May 2010	Reference to "Contract Proposal" form removed.
August 2011	Procedure Updated for New Organisational Structure



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# 1. Commissioner's Instruction (CI)

The delegated Card Issuing Official must:

- not issue a credit card to an employee unless the employee has a need that is supported by their Manager;
- ensure that cardholders fully understand, and acknowledge in writing, the conditions set out in the Cardholder Agreement and Acknowledgment Form and these CIs;
- keep proper records of credit cards issued and relevant details of cardholders such as financial limits, etc.; and
- ensure that credit card transactions are recorded in the general ledger prior to cut-off each month.

Cardholders must:

- ensure the safe custody and security of the card;
- comply with any conditions associated with using the card;
- not use the facility for personal expenses; and
- report a lost card immediately to the Card Issuing Official.

# 2. Introduction & Objectives

The ABCC may provide nominated staff with a MasterCard to pay for goods and services on behalf of the agency. This procedure provides guidance on the use of credit cards for official ABCC business.

The ABCC MasterCard must not be used for expenditure of a private nature.

This policy is applicable to the following staff within the ABCC:

- Cardholder;
- Cardholder's supervisor; and
- Delegated Card Issuing Official.

## 3. Supporting Information

### 3.1 Related References & Pronouncements

<b>FMA Act 1997:</b>	<ul style="list-style-type: none"> <li>■ Sections 38, 44 &amp; 60</li> </ul>
<b>FMA Regulations:</b>	<ul style="list-style-type: none"> <li>■ Regulations 9-13 and 21</li> </ul>
<b>Related Finance Directions:</b>	<ul style="list-style-type: none"> <li>■ Finance Direction 10 - Procurement</li> </ul>
<b>Other References:</b>	<ul style="list-style-type: none"> <li>■ APS Code of Conduct</li> <li>■ Westpac MasterCard Terms and Conditions.</li> </ul>

### 3.2 Responsible Officers and Contacts

Position/Title	Level	Responsibility
Assistant Director, Business Services	EL1	Maintains central register of all Purchasing Card holders, first point of contact for all disputed purchasing transactions.
Spendvision Administrator	APS5	Administrator for all Spendvision related activity

## 4. Guidelines

### 4.1 Approval of Credit Card Issue

4.1.1 The Card Issuing Official must consider the appropriate credit card limit for the individual in line with the Financial Delegations.

### 4.2 Credit Card Use

4.2.1 Cardholders must comply with the terms and conditions issued by the Card Issuing Official.

4.2.2 Credit cards must be used only for official ABCC business. Credit cards must not be used for expenditure of a private nature. A staff member misusing an ABCC credit card facility will be subject to action under the APS Code of Conduct and potential prosecution.

4.2.3 A MasterCard must **not** be used to purchase:

- assets e.g. office furniture and equipment, computer equipment.
- ABCC pool and SES vehicle fuel, car wash and other running costs.
- travel-related items, except as approved by a delegated official for staff who have not been issued with a travel credit card or other persons carrying on official business for the ABCC.

4.2.4 Credit card purchases are subject to the same guidelines as outlined in Finance Direction 10 – Procurement of Goods and Services in relation to compliance with Commonwealth Procurement Guidelines, Contract Management Committee oversight and procurement approval processes.

### 4.3 Credit Card Reconciliation Process

#### 4.3.1 Cardholder's are required to:

- retain a copy of the original tax invoice for each purchase greater than \$82.50 (a receipt or other documentation may be adequate for purchases of \$82.50 or less) to support card transactions.
- reconcile their transactions reported in Spendvision to the original tax invoice, receipt or other supporting documentation.
- code each Spendvision transaction to the appropriate general ledger and cost centre codes and explain the reason for the expenditure to enable the cardholder's manager to assess whether the transaction is valid.
- print a Spendvision Statement of reconciled transactions, attach supporting documentation, sign and forward to their manager for approval.

#### 4.3.2 Cardholders are required to finalise the above procedures by the 9th calendar day of each month for the previous month's transactions.

#### 4.3.3 Cardholder's Managers are required to:

- compare Spendvision transactions to the Spendvision Statement and supporting tax invoices/receipts and satisfy themselves that each transaction is for approved business purposes.
- When satisfied that the transactions are legitimate the manager is to:
  - i. sign the Spendvision Statement; and
  - ii. approve each transaction online in Spendvision.

#### 4.3.4 Cardholder's Managers are required to finalise the above procedures by the 15th calendar day of each month for the previous month's transactions

### 4.4 Unapproved Transactions

#### 4.4.2 Cardholders and managers with transactions that are not approved in Spendvision by the 15<sup>th</sup> calendar day of each month are to be reported to the Executive.

### 4.5 Disputed Transactions

#### 4.5.1 In case of disputed transactions the Assistant Director, Business Services is to be contacted.

### 4.6 Loss/Replacement Credit Cards

#### 4.6.1 In case of a lost MasterCard the Assistant Director, Business Services and Westpac MasterCard are to be contacted immediately to cancel the card and to order a replacement (**Westpac MasterCard 1300 650 107**).

### 4.7 Cardholder has change of conditions

#### 4.7.1 The cardholder must advise the Card Issuing Official and return their card when they:

- leave employment with the ABCC; and/or
- proceed on leave for more than three months.