

Virtual Card Addendum

All purchasing card policy and procedure requirements apply to virtual cards, except where indicated in the below table.

CBA, NAB and WBC all offer virtual cards.

Virtual cards present enormous opportunities for schools to increase flexibility in their electronic funds management processes.

Virtual cards can be instantly provisioned and approved, as well as provide easy monitoring and reporting capabilities.

PURCHASING CARDS	VIRTUAL CARDS
Internal Controls - Purchase of Goods/Services	Internal Controls - Purchase of Goods/Services
A school purchase order document is used to initiate or ratify expenditure.	A school purchase order document or electronic approval is required to initiate and approve the use of a virtual card for expenditure.
Quotes and tenders are obtained as required in accordance with the Victorian Government Purchasing Guidelines.	No change.
All purchase orders are approved: purchase orders signed by the school principal or authorised nominee.	No change.
The person receiving the goods is different from the person authorising the order.	No change.
Goods are checked against delivery documents.	No change.
Delivery docket checked against supplier's invoice and purchase order.	No change.
Duplicate copy of the purchase order and original invoice is endorsed with "goods received" and invoice is endorsed with "paid".	No change.
Person checking invoice for correctness signs to accept responsibility.	No change.
Additional controls for school purchasing card	Additional controls for virtual card
The school council and principal determine which personnel and activities will be eligible to use the purchasing card.	The school council and principal delegate the "Authorisation Officer" to approve purchases using the virtual card to eligible staff and activities.
The school council and principal determine the expenditure limit for each cardholder and provide financial delegation to this upper limit.	School council and principal determine the expenditure limit for each virtual card, where the maximum limit is \$15,000 on virtual cards. Virtual cards are only approved to the anticipated purchase value ie. for a purchase order of \$50 the virtual card is approved for \$50.
School council, after advice from the principal, appoint an "Authorisation Officer".	No change.

An "Undertaking by the Card holder" is completed by each user after modifications by the principal.	There is no requirement to complete the "Undertaking by the cardholder" for the virtual card
Principal ensures that; <ul style="list-style-type: none"> - all approved cardholders receive a briefing on the use under specific guidelines prior to being issued with the card. - the cardholders' names, card details, and other information are minuted at school council. Any subsequent changes must be minuted at the next school council meeting. 	There is no requirement for the virtual cardholders to complete the briefing, or to have the cardholder details minuted at school council.
Determine and document arrangements for safe and secure custody of the purchasing card.	The virtual card will be provided online or directly to the individual's mobile phone.
Arrange for the monthly purchasing card statement/s to be attached to the relevant reports (CASES21 Finance) and tabled at school council meetings.	All invoices and any other required documents must be provided to the authorisation officer or be attached to the online approval.
Ensure that all Westpac Visa Card purchasing card procedures and controls are met.	Ensure that all virtual card procedures and controls for the relevant financial institution are met.
	Virtual cards can be locked for use by a particular merchant type, vendor and single or multi use. This is at the discretion of the authorising officer.
	A virtual card must only be provided to a DE staff member
School Council Checklist	School Council Checklist
Consider the introduction of a school purchasing card in conjunction with the school's current purchasing procedures and the potential benefits.	Consider the introduction of a virtual card in conjunction with the school's current purchasing procedures and the potential benefits.
Adopt and formally minute school procedures for the introduction and use of a school purchasing card/s in accordance with Ministerial Guidelines and Directions 1-6 of 2008.	Adopt and formally minute school procedures for the introduction and use of virtual card/s in accordance with this addendum to the School Purchasing Card Facility.
Appoint relevant personnel to ensure the efficient and effective administration of the school purchasing card.	Appoint relevant personnel to ensure the efficient and effective administration of the virtual card.
Ensure adequate internal controls, security measures, cardholder register, relevant locally determined category limits and school council reporting procedures to implement and monitor the operation of the school purchasing card.	Ensure adequate internal controls, security measures, relevant locally determined category limits and school council reporting procedures to implement and monitor the operation of the virtual card.
Complete the School's Certification Checklist attesting to the appropriate school purchasing card usage, as initiated by the department.	Complete the School's Certification Checklist attesting to the appropriate virtual card usage, as initiated by the department.
Authorisation Officer Responsibilities	Authorisation Officer Responsibilities

Ensure approved cardholders have completed a briefing before use of the school purchasing card.	Virtual cards do not require the user to attend a briefing before use.
Revise the “Undertaking by Cardholder” document for the cardholder/s endorsement and signature for any subsequent changes to purchasing card procedures to each cardholder.	Virtual cards do not require the use of the “Undertaking by Cardholder” document.
Authorisation Officer Checklist	Authorisation Officer Checklist
Approve purchasing card expenditure in accordance with the department guidelines and school policies.	Approve purchase order expenditure in accordance with the department guidelines and school policies. Generate the virtual card for payment online or send to mobile phone.
Administer and monitor the operation of a purchasing card on a day-to-day basis, ensuring compliance with ministerial guidelines and school council policy.	Administer and monitor the operation of a virtual card regularly, ensuring compliance with ministerial guidelines and school council policy.
Upon monthly submission of card statement and verified documentation by each cardholder, confirm the accuracy of the transactions, confirming expenditure against original school purchase order. Maintain appropriate security for all documentation.	No change.
Not exceeding prearranged limits when order/s submitted for approval.	No change.
Adherence to Ministerial Guidelines and Directions 1 – 6, 2008, and to the Purchasing Guidelines.	Adherence to the Virtual Card Addendum guidelines.
Use of the school purchasing card for school orders only.	Use of the virtual card for school orders only.
Completion of supporting documentation for the school.	No change.
Reporting theft or loss of school purchasing card immediately to principal and bank.	Not required
Reporting any unauthorised transactions immediately to authorisation officer/principal.	No change.
Provision of security of the school purchasing card while in cardholder’s possession.	No change.
Returning the card to the principal upon request.	Not required
Applying for a School Purchasing Card facility	Applying for a Virtual Card facility
Principals and business managers are required to attend a Schools Purchasing Card Briefing, prior to the facility initially being approved by School Council.	Not required

School Council consider the introduction of a school purchasing card in conjunction with the school's current purchasing procedures and the potential benefits.	School Council consider the introduction of a virtual card in conjunction with the school's current purchasing procedures and the potential benefits.
School Council adopt and formally minute school procedures for the introduction and use of a school purchasing card/s in accordance with Ministerial Guidelines and Directions 1-6 of 2008.	School Council adopt and formally minute school procedures for the introduction and use of a virtual card/s in accordance with the Virtual Card Addendum to the School Purchasing Card Guidelines.
School Council approve relevant personnel to ensure the efficient and effective administration of the school purchasing card program.	School Council approve relevant personnel to ensure the efficient and effective administration of the use of virtual cards.
School Council ensure adequate internal controls, security measures, cardholder register, relevant locally determined category limits and school council reporting procedures to implement and monitor the operation of the school purchasing card.	School Council ensure adequate internal controls, security measures, relevant locally determined category limits and school council reporting procedures to implement and monitor the operation of the virtual card.
All applications must have the school address as the postal address. The cardholder's personal mailing address must NOT be used.	
Ongoing administration of the School Purchasing Card program	Ongoing administration of the Virtual Card program
Administration officer ensures the efficient and effective administration of the school purchasing card.	Administration officer ensures the efficient and effective administration of the virtual card.
All approved cardholders receive a briefing that explains the use of the card and the specific guidelines	Not required
All cardholders are to sign the 'Undertaking of Cardholder' form. This is to be retained for audit.	Not required
All cardholders must be recorded on the Schools Purchasing Card Register.	Not required
School principal is to complete the School's Certification Checklist attesting to the appropriate usage of the school purchasing card, as initiated by the Department of Education. The School's Certification Checklist will be distributed by Financial Services Division for reporting as at 30 June each Financial Year.	School principal is to complete the School's Certification Checklist attesting to the appropriate usage of the virtual card, as initiated by the Department of Education. The School's Certification Checklist will be distributed by Financial Services Division for reporting as at 30 June each Financial Year.
Ongoing Card Management and Facility Administration	No change.

<p>Authorising Officers can contact the Financial Institution Victorian Government Client Service Team to request:</p> <ul style="list-style-type: none"> • New cardholder application spread sheet, • modify limits to existing cards, • cancellation of cards • request replacement for damaged cards • name changes (documentation must be provided eg. Marriage Certificate, Deed Poll or Decree Nisi), before a new card is issued in the new name. <p>All requests must state the cardholder's name and card number.</p>	<p>Authorising Officers can contact the relevant Financial Institution Government Service team as required</p>
<p>Authorising Officers can contact the Financial Institution Victorian Government Client Service team to request:</p> <ul style="list-style-type: none"> • modifications to the facility (School name or address), • amendment to existing Authorised Signatories and/or Verifying Officers, and to advise • the change of account number for the School Council Official bank account direct debit sweep. 	<p>No change.</p>
<p>Cancellation of Cards and Facilities</p>	<p>Cancellation of Cards and Facilities</p>
<p>A Purchasing Card cancellation form must be completed and signed by the Authorised Officers and forwarded to Financial Institution Victorian Government Client Service Team when</p> <ul style="list-style-type: none"> • a cardholder leaves the school • the card is no longer required by the nominated cardholder • Cancellations must be recorded in the Purchasing Card Register in CASES21 and the card destroyed. <p>The School Purchasing Card facility must be cancelled if the school no longer requires cards to be used in the school.</p>	<p>Not required</p>