Expense Claim Procedures

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1. Purpose and Scope

The purpose of these procedures is to provide guidelines to ensure the Expense Claim Policy is implemented and administered correctly.

It is also to ensure all expenses incurred on behalf of Unitec by Employees are reimbursed accordingly and appropriately.

There are three types of employment related expenses:

- Procurement Card (P Card)
- Manual Employee Expense Claim
- Cash Advance for business travels reconciliation

This document applies to all Unitec staff and must be read in conjunction with the Expense Claim Policy and other relevant policies.

2. Purchasing Card (P Card) Procedures

P Card is used to procure certain work-related goods or services. All P Card purchases made must be:

- justifiable business expense
- made with integrity
- financially prudent
- appropriate

- A file from the bank is manually downloaded from the Visa mailbox and uploaded into PeopleSoft on every Monday and Thursday.
- An email notification is sent to the P Card holder (Employee) of any new credit card transactions.
- A system generated reminder email to code new transactions is sent out every Tuesday to P Card holders.
- P Card holder can view the transactions for the previous day's transactions once uploaded on Mondays and Thursdays.
- P Card holder creates a new Expense Report by selecting the credit card transactions from My Wallet in PeopleSoft.
- If it is for travel related expenses, the approved Application to Travel form must be attached at the header level onto the Expense Report by the Employee.
- All expenses are mapped based upon the industry standard merchant category codes to the PeopleSoft Expense Type.
- The P Card Expense Administrator will correct any upload errors (e.g. new unmapped Merchandising Codes, new unmapped P Card numbers, new unmapped foreign currencies).
- P Card holder can recode the mapped Expense Type if incorrectly coded, by selecting the correct Expense Type from a drop down box. These Expense Types are mapped to the General Ledger account codes in PeopleSoft.
- Depending on whether the expenses relate to local or overseas travel, the Employee needs to select either the "Local Travel" or "Overseas Travel" Expense Type, as GST is calculated accordingly.
- Certain types of local expenditures do not attract GST.
- Examples of GST exempt expenses are gift vouchers, visa fees, bank fees, duty free goods, exchange rate fees, second hand goods (e.g. from Trade Me).
- A Business Purpose and a Report Description must be entered at the header level, and a Description must also be entered on all transaction lines to describe the nature of each individual expense incurred.
- For entertainment or business meetings, a list of attendees must be entered for each expense line item.
- The Employee's cost centre details are maintained within the PeopleSoft HR System. It is the responsibility of the Employee to notify the HR team when they change their cost centre.
- All tax receipts must be scanned as attachment into the Expense Report at the line item level. EFTPOS dockets are not acceptable as receipts. The electronic tax receipts images must be complete and legible. If there is no electronic tax receipt attached, a reason must be given by the P Card holder.
- If there is a disputed transaction with the bank, then the P Card holder must recode the transaction to "Expenses In Dispute" by selecting the appropriate Expense Type from the drop down box. This dispute must be followed up by the P Card holder with the bank or retailer immediately.

- Under no circumstances, should there be any personal credit card transaction. However, if a personal transaction has been put through in error, then the P Card holder must recode the personal transaction to "Personal Expenses" by selecting the appropriate Expense Type from the drop down box.
- For Personal Expenses that have been put through in error, the Employee must reimburse Unitec immediately by making an online deposit to Unitec's bank account. The Employee must contact the Expense Administrator for Unitec's bank account details and advise the date and amount of reimbursement once deposited into Unitec's bank account. An electronic copy of the bank deposit confirmation must be attached in the Expense Report.
- Expense(s) can be split to other cost centres apart from the Employee's default cost centre and/or Project Code if the split is legitimate.
- If a particular expense(s) is coded to more than one cost centre requiring more than one Cost Centre Manager to approve, that is a split cost centre expense, then the Employee must submit separate Expense Reports relating to that expense. A scanned copy of the duplicated receipt must be attached at the line item level for the subsequent Expense Report(s).
- A Project Code must be entered if it is Project related, otherwise the PeopleSoft Project Costing module will not get updated with the project details.
- Once the P Card holder is satisfied with all the coding and attachments/reasons, then the Expense Report is submitted to the Cost Centre Manager for review and approval in PeopleSoft. The Cost Centre Manager will receive notification via an email request.
- The P Card holder cannot submit Expense Report for approval unless all mandatory fields are completed for each expense line, attachments of electronic receipts or reason if no attachments are included.
- The system will display a warning message to users when saving and submitting an expense report containing any duplicate expense lines or if no receipts are attached.
- In the event the Employee is also the Cost Centre Manager, the Employee's Expense Report is submitted to the Employee's Supervisor (identified as the HR Supervisor). The Employee-Supervisor relationship is maintained within the PeopleSoft HR system).
- The Cost Centre Manager has to approve by reviewing each transaction line item.
- For any Expense Reports that have an amount exceeding NZD5,000, a second level of approval is required and the PeopleSoft system will automatically route the Expense Report to the General Manager of Finance.
- The Expense Administrator can reassign work for any Approver, if the Cost Centre Manager has not reassigned their pending expense transactions to their Line Manager before going on leave of absence.
- If the Cost Centre Manager does not agree with the transactions being coded or they need more information, they need to "Send Back" or "Deny" the Expense Report. A comment must be provided why it is sent back or denied. The Employee will get a notification via email.
- When the Expense Report is denied, the Expense Report cannot be modified or resubmitted for approval.
- When the Expense Report is sent back to the Employee, the Employee has the option to modify and send back the Expense Report for approval.
- The Expense Report should be reviewed and recoded if necessary by the P Card holder and approved by the Cost Centre Manager or the Cost Centre Manager's Line Manager by the first working day (+1) of the month.
- If the P Card holder has not reviewed the monthly transactions by close of business +1, an email reminder is sent to the P Card holder on the morning of +2.

- If the P Card holder has reviewed and submitted the Expense Report for approval but the Cost Centre Manager has not approved by close of business +1, a reminder email is sent to the Cost Centre Manager on the morning of +2.
- Any My Wallet transactions not assigned to an Expense Report by the P Card holder, or transactions in the Expense Report are not approved, reversal accrual journals will be posted by the Expense Administrator based on the expense type by close of business +3.

3. Manual Employee Expense Claim Procedures

A manual Employee Expense Report can be raised when an Employee purchases goods or services which support legitimate Unitec business with their own funds. Unitec will reimburse the Employee upon receiving an approved Expense Report from their Cost Centre Manager.

- The employee expense reimbursement is direct credited to the Employee's nominated bank account held on the PeopleSoft HR system.
- The Employee's cost centre and personal bank details are maintained within the PeopleSoft HR system. It is the responsibility of the Employee to notify the HR team when they change their cost centre or personal bank account details.
- The Employee creates a manual Expense Report by selecting the Expense Type from the drop down box. These Expense Types are mapped to the General Ledger account codes in PeopleSoft.
- If it is for travel related expenses, the approved Application to Travel form must be attached at the header level.
- Depending on whether the expenses relate to local or overseas travel by selecting the Expense Type Local Travel or Overseas Travel, GST is calculated accordingly.
- Certain Expense Types are configured as being GST exclusive~~.~~
- Examples of GST exempt expenses are gift vouchers, mileage, duty free goods, exchange rate fees, second hand goods (e.g. from Trade Me).
- If it is for reimbursement of tuition fees, the approved Tuition Fees Assistance Application form must be attached at the header level.
- A Business Purpose and a Report Description must be entered at the header level, and a Description must also be entered on a transaction line level to describe the nature of the individual expense.
- For entertainment or business meetings, a list of attendees must be entered for each expense line item.
- All tax receipts except for mileage must be scanned as attachment into the Expense report at the line item level. EFTPOS dockets are not acceptable as receipts. The electronic tax receipts images must be complete and legible. If there is no electronic tax receipt attached, a reason must be given by the Employee.
- If no electronic tax receipt is attached and no reason is given, then the Approver must send back the submitted Expense Report to the Employee to resolve, where appropriate.
- If the currency charged on the transaction is different to the currency of the country visited, then the tax receipt and a copy of your personal credit card statement pertaining to that transaction must be scanned into the Expense Report. For example, charged in USD whilst in China (Yuan) and converted to NZD on your personal credit card statement.
- For mileage reimbursements, the Employee has to enter the "To" and "From" place and the number of kilometres travelled in the Description field. Mileage is payable from home to destination or work to destination, whichever is less.
- The expense(s) can be split to other cost centres apart from the Employee's default cost centre and/or Project Code if the split is legitimate.
- If a particular expense(s) is coded to more than one cost centre requiring more than one Cost Centre Manager to approve, that is a split cost centre expense, then the Employee must submit separate Expense Reports relating to that expense. A scanned copy of the duplicated receipt must be attached at the line item level for the subsequent Expense Report(s).
- The Expense Report is submitted by the Employee to their Cost Centre Manager for approval once all mandatory fields and receipts are attached.

- The system will display a warning message to users when saving and submitting an expense report containing any duplicate lines.
- The Cost Centre Manager has to approve the Expense Report by reviewing each individual transaction line item.
- If the Cost Centre Manager is not satisfied with the Expense Report either due to lack of expense justification or not a business related expense, or they need more information, they need to “Send Back” or “Deny” the Expense Report. A comment must be provided why it is sent back or denied. The Employee will get a notification via email.
- In the event the Employee is also the Cost Centre Manager, the Employee’s Expense Report is submitted to the Employee’s Supervisor (identified as the HR Supervisor). The Employee-Supervisor relationship is maintained within the PeopleSoft HR system).
- When the Expense Report is denied, the Expense Report cannot be modified or resubmitted for approval.
- When the Expense Report is sent back to the Employee, the Employee has the option to modify and send back the Expense Report for approval.
- The Expense Administrator can reassign work for any approver, if the Cost Centre Manager has not reassigned their pending expense transactions before going on leave of absence.
- If the Expense Report is not approved by the Cost Centre Manager, the Employee can check that the Expense Report is sitting at the approval stage.
- Once the Expense Report is approved by the Cost Centre Manager, the Employee can see that the Expense Report is with Finance for processing.
- The reimbursement will be paid out in the next fortnightly run. The Employee will receive a payment advice via email.
- Any transactions in the Expense Report that are not approved, automatic reversal accrual journals will be posted by the Expense Administrator based on the expense type by close of business +3.

4. Cash Advance Procedures

A cash advance is given to Employee who travels on business on behalf of Unitec.

- Cash advance request is created by the Employee in the Travel & expense module in PeopleSoft and when submitted for approval is routed to the Cost Centre Manager.
- Once approved the cash advance is then automatically routed for secondary approval by the Finance Administration Manager or General Manager of Finance regardless of the amounts.
- The General Manager of Finance has the authority to approve, or decline a cash advance.
- This cash advance request must be supported with an attached scanned copy of the approved Application to Travel form.
- The security of the cash advance is the responsibility of the Employee.
- The Employee must submit the Expense Report for the cash advance spending within 10 working days of their return from a trip.
- A second cash advance will be declined unless an Expense Report is created to reconcile the first cash advance.
- Manual expense claim, P Card transactions and cash advance can be entered on the same Expense Report.
- The cash advance is direct credited to the Employee's nominated bank account held by Payroll. For any unused cash advance, the Employee must contact the Expense Administrator for Unitec's bank account details and must be deposited into Unitec's bank account. An electronic copy of the deposit slip confirming the deposit must be emailed to the Expense Administrator Report as proof.
- The Employee's cost centre and personal bank account details are maintained within the PeopleSoft HR system. It is the responsibility of the Employee to notify the HR team when they change their cost centre or personal bank account details.
- In the event the Employee is also the Cost Centre Manager, the Employee's Expense Report is submitted to the Employee's Supervisor (identified as the HR Supervisor). The Employee-Supervisor relationship is maintained within the PeopleSoft HR system).
- The Employee creates a manual Expense Report by selecting the Expense Type from the drop down box. These Expense Types are mapped to the General Ledger account codes in PeopleSoft.
- For expenses relating to overseas travel, the Overseas Travel Expense Type must be selected. GST is not calculated.
- Certain Expense Types are configured as GST exempt and no GST is calculated.
- Examples of GST exempt expenses are gift vouchers and second hand goods (e.g. from Trade Me).
- A Business Description must be entered at the header level, and a description must also be entered on all individual transaction lines to describe the nature of the expense.
- For entertainment or business meetings, a list of attendees must be entered in the dialog box in the Expense Report.
- All tax receipts except for mileage must be scanned as attachment into the Expense Report at the line item level. EFTPOS dockets are not acceptable as receipts. The electronic tax receipts images must be complete and legible. If there is no electronic tax receipt attached, a reason must be given by the Employee.
- If no electronic tax receipt is attached and no reason is given, then the Approver must send back the submitted Expense Report to the Employee to resolve, where appropriate.

- The expense(s) can be split to other cost centre apart from the Employee's default cost centre and/or Project Code if the split is legitimate.
- If a particular expense(s) is coded to more than one cost centre requiring more than one Cost Centre Manager to approve, that is a split cost centre expense, then the Employee must submit separate Expense Reports relating to that expense. A scanned copy of the duplicated receipt must be attached at the line item level for the subsequent Expense Report(s).
- The Expense Report is submitted by the Employee to the Cost Centre Manager for approval once all mandatory fields and receipts are attached. The system will display a warning message to users when saving and submitting an Expense Report containing any duplicate lines.
- The Cost Centre Manager has to approve by reviewing each transaction line item.
- If the Cost Centre Manager is not satisfied with the Expense Report either due to lack of expense justification or not a business related expense, or they need more information, they need to "Send Back" or "Deny" the Expense Report. A comment must be provided why it is sent back or denied. The Employee will get a notification via email.
- When the Expense Report is denied, the Expense Report cannot be modified or resubmitted for approval.
- When the Expense Report is sent back to the Employee, the Employee has the option to modify and send back the Expense Report for approval.
- The Expense Administrator can also reassign work for any approver, if the Cost Centre Manager has not reassigned their pending expense transactions before going on leave of absence.
- If the Expense Report is not approved by the Cost Centre Manager, the Employee can check that the Expense Report is sitting at the approval stage.
- Once the Expense Report is approved by the Cost Centre Manager, the Employee can see that the Expense Report is with Finance for processing.

5. Responsibilities

Role	Responsibilities
Chief Financial Officer (CFO)	Policy sponsor
General Manager of Finance (GMF)	Policy owner
Cost Centre Manager (or Supervisor)	• Authorises the Expense Report timely as per their DFA • Verifies that the expenses incurred were Unitec business related
Employee	• Completes the Expense Report, • Reconciles the cash advance • Deposit any unused Cash Advance, personal expenses on P Card to Unitec's bank account • Reviews, copies to an Expense Report and recodes if required, the P Card transactions • Attaches electronic tax receipts to all expense lines • Attaches the approved Application to Travel form or approved Tuition Fees Assistance Application form
Expense Administrator	• Administers and processes Expense Reports and reimburses accordingly if it is a manual cash expense claim • Monthly query reports to ensure all the Expense Report, or cash advance reconciliation, coding of P Card transactions are accurately completed
Unitec staff	Comply with this policy

Procedures

6. Reference Unitec Policies

Compliance with Unitec Corporate policies

This policy will be conducted in accordance with Unitec's policies listed (but not limit to) as below:

- Expense Claim Policy
- Travel Policy
- Travel Procedures
- Procurement Policy
- Purchasing Card (P Card) Policy & Guidelines
- Sensitive Expenditure Policy
- Sensitive Expenditure Procedures
- Delegations Financial Authority Policy

7. Document Management and Control Details

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