

Expense Policy and Procedure	
Policy Statement	The Expense policy has been developed to assist staff with their assessment if the company expenses are allowable or not. The assessment should be performed by using the four guiding principles of this policy. These principles will also assist staff in remaining within the bounds of the RSL LifeCare Code of Conduct.
Purpose	The purpose of this policy is to ensure that all RSL LifeCare Directors, employees and consultants have a clear and consistent understanding of what are allowable business expenses and what are not allowable.
Scope	This policy and related procedures, applies to all Directors and staff of RSL LifeCare, contractors and others incurring expenses on behalf of RSL LifeCare regardless of their level or seniority.
Principles	All RSL LifeCare business expenses must meet the following principles: <ul style="list-style-type: none"> • Necessary to perform a valid business purpose fulfilling the strategic plan of RSL LifeCare; • Reasonable in that the expense is not extreme or excessive, and reflects a prudent decision to incur the expense; • Appropriate in that the expense is suitable and fitting in the context of the valid business purpose; and • Allowable in accordance with the terms of any state or federal regulation, contract, budget or RSL LifeCare policy.
Roles & Responsibilities	<p>Chief Financial Officer – overall responsibility for the implementation and review of the policy & procedure and communication of the policy and procedure to all employees.</p> <p>Finance – monitor the compliance of the policy and procedure. Finance will conduct a monthly review of expenses and escalate non-compliant expenses.</p> <p>All Directors, Employees, Contractors & Volunteers – ensure compliant with the policy and procedure.</p>
Related Documents and References (internal and external)	GMF797 Code of Conduct HR03 Staff Responsibilities Delegation of Authority FIN001 Finance Policy FIN002 Procurement Policy FINPR002 Procurement Procedure FIN003 Travel Policy & Procedure FIN006 Credit Card Policy and Procedure FINF005 Expense Guidelines FINF006 Expense Coding Guidelines FINF007 Accounts Payable Timetable FINPR004 Hospitality RSL LifeCare Accounts

Policy FIN005 Expense Policy and Procedure

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Definitions & Terminology	<p>Australian Taxation Office (ATO) – Is the Government’s principal revenue collection agency.</p> <p>Delegated Manager – means the Manager of the employee who has delegation to approve expenses in accordance with the Delegation of Authorities</p> <p>Entertainment – Includes food, drink, gifts, gift cards, tickets and prizes etc.</p> <p>Goods and Services Tax (GST) – Is a broad-based tax of 10% on most goods, services and other items sold or consumed in Australia.</p> <p>Fringe Benefit Tax (FBT) – Is a tax paid by employers on certain benefits they provide to their employee, or their families and associates. It also applies if paid via a third party under an arrangement with the employer.</p> <p>MediusFlow is an online cloud-based workflow system for processing and approval of invoices.</p> <p>Visa Intellilink – RSL LifeCare’s credit card and out of pocket expense management system.</p>
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1. Policy

This policy outlines whether an item of expenditure is allowable or not and the procedures surrounding how the expenses are to be paid.

To be an allowable business expense, the expense must meet the following criteria:

- **Necessary** to perform a valid business purpose;
- **Reasonable** in that the expense is not extreme or excessive;
- **Appropriate** to incur the expense as it is for a valid business purpose; and
- **Allowable** in accordance with the terms of any state or federal regulation, contract, budget or RSL LifeCare policy.

Failure to follow this policy and procedure may result in disciplinary action and potentially a requirement for repayment by the staff member. In circumstances of intentional non-compliance, HR will be informed. Fraudulent or other intentional misuse of RSL LifeCare funds will be reported to the police.

2. Allowable Expenses

Allowable expenses for RSL LifeCare includes budgeted operating and capital expenditure associated with the operation of Residential Aged Care facilities, Retirement Living Villages, LifeCare at Home Offices and Corporate Offices. All operating and capital expenditure is to be approved in accordance with the Delegations of Authority.

A full list of allowable expenses is included in FINF005 Expenses Guidelines and forms a part of this policy.

Detailed expense coding details are provided in FINF006 Expense Coding Guidelines and forms a part of this policy.

3. Non-Allowable Expenses

Non-allowable or prohibited expenses include, but are not limited to:

- Late payment or interest on credit cards.
- Parking, traffic or other fines or penalties.
- Items of a personal nature, including those charged to a hotel account (e.g. minibar, movies, tips etc).
- Information and computer technology and equipment not purchased through the IT Team (including mice, keyboards, Adobe Acrobat and other software).
- Airline club/lounge memberships.
- Car washes.
- Entertainment expenses without General Manager pre-approval.

A full list of non-allowable expenses is included in FINF005 Expenses Guidelines and forms a part of this policy. If in any doubt, please seek guidance from your Manager before incurring the expense.

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4. Travel Conditions and Reasonable Cost Limits

Please refer to FIN003 Travel Policy & Procedure and FINF005 Expense Guidelines for full details of expenses relating to travel, including when a personal vehicle for business travel purposes can be used.

5. Entertainment Expenses

Entertainment expenses consist of the following items:

- Food, drink or entertainment provided to employees when it is not incurred when travelling or not provided as part of a working meeting (see FINF005 Expense Guidelines for full details), e.g. Christmas parties, team lunches/dinners.
- Food, drink or entertainment to any non-employees.

Entertainment expenses must be specifically disclosed in the claim for reimbursement, including:

- Total number of attendees;
- Names of participants and organisation represented;
- Names of any RSL LifeCare staff members in attendance;
- Purpose of entertainment expense;

Provision of food, drink or entertainment to any other employee (unless you are both travelling) is classified as Entertainment and must be specifically disclosed in the claim for reimbursement. A general rule, entertainment of other employees is not allowed, unless pre-approved by a General Manager or higher. When submitting the expense for an entertainment expense, the approval from the General Manager is required to be attached.

Food and beverages purchased through RSL Operated Cafes or Dugouts that are a business expense (i.e. working lunches in accordance with FINF005) should be purchased using a hospitality account.

6. Approval of Expenses

Delegated Managers are responsible for determining if the expense(s) being claimed are:

- Reasonable given the circumstances;
- Charged to the correct cost centre and charged against the appropriate account; and
- Any requirements under FBT legislation have been met.

Expenses for entertainment may only be approved by a General Manager or higher.

7. Expense Payment Methods

Payment Method	System	Expense Items
Accounts Payable	Mediusflow	All expenses for which an invoice is received is required to be processed for payment through Mediusflow. The majority of operational suppliers should be paid through Accounts Payable.
Corporate Credit Card	Visa Intellilink	Items which cannot be paid for through the Accounts Payable method, i.e. no invoice is available to be processed through Medius.
Out of pocket Expense claim	Visa Intellilink	Where an employee does not have a corporate credit card, certain expenses may be paid using their own funds. These should be on an infrequent basis and prior approval is required by a Manager.
Purchase Cards	Mediusflow	Purchase card arrangements have been set up for certain suppliers: <ul style="list-style-type: none"> • Motorcharge – for fuel and oil purchases. • Bunnings – for building, hardware and garden supplies.
Hospitality Accounts	Finance System	Food and beverages incurred at RSL operated Cafes or Dugouts where the employee has an account. No food or beverages purchased at a Café or Dugout can be purchased on a Corporate credit card.

8. Accounts Payable – Mediusflow

Please refer to FINPR005 MediusFlow Coding & Authorisation Procedures for processes related to coding and approving invoices. All invoices for the organisation must be processed through Mediusflow.

Please refer to FINF007 Accounts Payable End to End Process Timing for the expected timeline for invoices to be processed through Mediusflow. All supplier payments are required to be processed through Medius to ensure appropriate approval in accordance with the delegations of authority and that an appropriate control environment exists for supplier payments.

Payment runs occur on a weekly basis – all invoices that are due and payable will be paid. For any invoices requiring payment, please ensure that these are approved within Medius the day prior to the payment run. The day of the payment run can be found in FIN007 Accounts Payable End to End Process Timing.

If supplier is not registered as a business e.g. hobby as a musician. The supplier will need to complete certain tax forms.

There are numerous preferred supplier arrangements and trading accounts in place for all expense types. This includes Bidfood, Bunzl, Woolworths, Coles, Crown, Freedom, Aidacare, Rational, Ipsos, Harvey Norman, JB Hi Fi Commercial, Cleanaway, Tip Top and Parmalat. For all cost categories there are preferred suppliers and trading accounts in existence, and these should be used as a first preference to paying by credit card.

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9. Urgent Payments

Urgent payments can only be made in the circumstance where both the Chief Financial Officer and an Executive Manager has approved the payment. Recurring urgent payments will be rejected. No payments will be made without following the Medius approval process.

10. Corporate Credit Cards

Please refer to FIN006 Corporate Credit Cards Policy & Procedure and FINF005 Expense Guidelines for full details relating to expenses charged to credit cards. Holders of corporate credit cards should charge all legitimate expenses to that card and acquitted in accordance with these policies as well as FINF006 Expense Coding Guidelines.

All Corporate Card expenses are to be coded and approved through Visa Intellilink.

11. Out-of-Pocket Expenditure Claims

Out-of-pocket expenditure claims may be required to be completed where an employee uses their personal money to purchase a business expense. Please refer to FINF005 Expense Guidelines for full details relating to expenses that are allowable and those that are not allowable.

Out-of-pocket expenditure claims are to be submitted using Visa Intellilink. No paper-based expenditure claims will be accepted. Visa Intellilink is an online platform where cardholders can code their expenses and Managers can approve expense claims. Finance will set up new employees on Visa Intellilink upon request. Please email accounts@rsllifecare.org.au with your name, Title and Manager, along with your Managers approval to be set up.

Once set up, instructions will be sent in email by Visa Intellilink on how to log into the system. Instructions on how to code and approve an item of personal expenditure is contained within FINPR004 – Visa Intellilink Expense Management – User Guide.

As part of the acquittal process in Visa Intellilink the cardholder is to:

- Examine each transaction and attach supporting documentation (tax invoices/receipts) – this can be completed by uploading from the computer or from an app via a mobile device or tablet. Please ensure all documents are readable;
- Allocate cost centre and account numbers to each transaction – Visa Intellilink has all accounts available for which an allowable expense can be incurred. If an account code is not available, please review whether the expense is allowable. If it is, please contact Accounts who will review;
- Provide a detailed description of the nature of the expense;
- The amount of GST – please ensure items with GST are coded separately to items that are GST Free.

Once reviewed the cardholder submits the transaction within Visa Intellilink to their Manager for approval.

Out-of-pocket expenses must be submitted within no more than 60 days after the expense was incurred.

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12. Purchase Cards

RSL LifeCare has purchase card arrangements for Motorcharge and Bunnings. Purchase cards are to be used where available. No items should be purchased on corporate credit cards where a purchase card is available.

Motorcharge

Motorcharge cards are available to employees who use RSL LifeCare commercial and pooled vehicles. Motorcharge cards are allocated to a facility or vehicle(s) and are only to be used for fuel and oil. Any requests for a Motorcharge card are to be approved by a General Manager and the email request sent to the Procurement team (procurement@rsllifecare.org.au).

Any items of expenditure charged to a Motorcharge card are required to have a docket/receipt retained and emailed to the Accounts Payable Team (accounts@rsllifecare.org.au) within 24 hours of incurring the expense. Details are to invoice the vehicle registration number.

If a Motorcharge card is lost or stolen, the Procurement team needs to be notified immediately to cancel the card.

Bunnings

Bunnings cards are available to employees who are required to purchase building, hardware and/or garden supplies on a regular basis. Bunnings corporate cards are issued in an employee's name and is to only be used by the employee named on the card. Any requests for a Bunnings corporate card are to be approved by a General Manager and the email request sent to the Accounts Payable team (accounts@rsllifecare.org.au).

Once approved, the Accounts Payable team will provide the employee with a temporary Bunnings card via email, which the employee is responsible for activating. Once the Bunnings card arrives, the Accounts Payable team will provide the card to the employee.

Invoices will be received centrally and be directed to the cardholder for coding and approval will occur through

If the employee leaves RSL LifeCare, the Accounts Payable team are to be notified and the card is to be destroyed. The card cannot be transferred to another employee.

If the card is lost or stolen, the Finance team needs to be notified immediately to cancel the card.

13. Non-Employee Out-of-pocket Expense Claims

From time to time volunteers may incur expenses on behalf of RSL LifeCare that will require reimbursement. Volunteers must ensure that expenditure incurred is agreed by a Manager of RSL LifeCare prior to spending the money. FINF005 Expense Guidelines applies for non-employee out-of-pocket expenses and defines allowable and non-allowable expenses.

Non-employee out-of-pocket expense claims are to be submitted using FINF012 Volunteers Expense Claim Form and are required to be signed by a Manager.

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Failure to follow this policy or attempting to claim disallowable expenses may result in disciplinary action and a requirement of repayment by the employee.

In circumstances of intentional non-compliance, P&C will be informed.