



Purchasing Card Audit Procedure

1. Purpose

In line with the WA Country Health Service (WACHS) [Purchasing Card Procedure](#), and to improve the governance and controls associated with the use of Purchasing Card (PCards), WACHS Finance has implemented a periodic controlled PCard audit check procedure.

The audit check is based on a random selection sample of WACHS PCard holders and focuses on issues such as inappropriate transactions, missing or unclear transaction descriptions, appropriate financial delegations and the timeliness of coding and approval of PCard transactions.

2. Procedure

Once every quarter, WACHS Finance (usually the Coordinator – General Ledger) extracts a list of active cardholders from the NAB FlexiPurchase system (FlexiPurchase).

2.1 Quarterly audit check procedure sample size

From this population of cardholders, a total WACHS sample size of 30 cardholders per quarter is to be split proportionally and randomly by population distribution. For example, if 100 of a presumed total 300 WACHS cardholders are from one location, then of the total required sample size of 30, 10 of the cardholders randomly selected will be from that location. This should equate to a range of about two (2) to six (6) cardholders per location.

Note: Cardholders will only be audited once every 12 months unless determined necessary by the WACHS Chief Finance Officer or Finance Managers due to previously non-compliant behaviour, prior serious adverse findings, or they believe the individual requires specific review.

Once the sample of cardholders has been selected for the quarter, WACHS Finance will perform an audit of that cardholder's transactions. Where there are more than 10 transactions in the quarter for any cardholder, the 10 largest PCard transactions (by transaction value) are to be sampled.

2.2 Audit check procedure test steps

The audit check procedures should be completed by General Ledger (GL) officers who will:

- a. complete test steps to carry out audit check as outlined in A - Audit Checklist in the [Purchasing Card Spot Check Tool](#).
- b. keep copies of evidence to support any findings
- c. carry out any actions required to mitigate and address the impact of any adverse findings for the cardholder, and other areas of WACHS, if relevant.

2.2 a and c are to be summarised in the relevant cells in A - Audit Checklist in the [Purchasing Card Spot Check Tool](#), and B - Actions Summary in the [Purchasing Card Spot Check Tool](#), signed and submitted along with 2.2 b, to the WACHS Chief Finance Officer, to decide on necessary action.

2.3 Significant Findings

Where an exception rate greater than that stipulated for the relevant test step in the Risk Rating Matrix is encountered (see C - Actions Summary in the [Purchasing Card Spot Check Tool](#)) the WACHS Finance (usually the Coordinator – General Ledger) will select additional samples as per the matrix.

Using these additional samples, WACHS Finance will perform the same tests as the noted exceptions, to determine whether the adverse findings noted are pervasive or a sampling exception.

Any findings and actions to mitigate and address the findings are to be evidenced and documented in B - Actions Summary in the [Purchasing Card Spot Check Tool](#), and submitted in line with section 2.2 above.

2.4 Timelines

This procedure is to be carried out in the month following the end of the quarter being audited.

WACHS Finance must arrange for the audit check procedure to be completed, with the final endorsed A - Audit Checklist in the [Purchasing Card Spot Check Tool](#), and B - Actions Summary in the [Purchasing Card Spot Check Tool](#).

If additional samples are required, the audit must be completed, and summary reports submitted as soon as practicable after receiving the additional samples in full.

3. Roles and Responsibilities

The **WACHS Chief Finance Officer** is responsible for overall management of the WACHS PCard process and recommending action for any serious breaches of PCard Policy, Terms and Conditions or identified fraudulent behaviour.

The **Manager – FAAR** is responsible for receiving and collating all submissions of findings and actions, for presentation to the WACHS Chief Finance Officer.

The **WACHS Finance** staff are responsible for deriving and producing any required samples for each quarterly spot check and responsible for performing the audit from sample to source documents.

All staff are required to comply with the directions in WACHS policies and procedures as per their roles and responsibilities. Guidelines are the recommended course of action for WACHS and staff are expected to use this information to guide practice. If staff are unsure which policies procedures and guidelines apply to their role or scope of practice, and/or are unsure of the application of directions they should consult their manager in the first instance.

5. Monitoring and Evaluation

Monitoring of compliance with this procedure is to be carried out by the WACHS Chief Finance Officer every quarter. At the completion of the audit check, the Manager – FAAR will meet with the WACHS Chief Finance Officer who will be provided all submissions of findings and actions for assessment of recommended actions.

An evaluation of the effectiveness of the procedure will be undertaken through feedback from WACHS Finance.

6. References

Common Use Arrangements (CUAs). Government of Western Australia. [accessed 15 October 2025]. Available from: <https://www.wa.gov.au/government/cuas/common-use-arrangements-cuas>

Financial Management Manual (FMM): FMM s625 - Purchasing Cards v2-00. Department of Health Financial Policy. [accessed 15 October 2025]. Available from: <https://healthpoint.hdwa.health.wa.gov.au/FinanceGroup/Pages/Chapter-6-Expenditure-Management.aspx>

Financial Management Manual (FMM): FMM s625-A - Prohibited Items v1-00 . Department of Health Financial Policy. [accessed 15 October 2025]. Available from: <https://healthpoint.hdwa.health.wa.gov.au/FinanceGroup/Pages/Chapter-6-Expenditure-Management.aspx>

7. Definitions

Term	Definition
WACHS Finance	The finance team of WACHS, in relation to this procedure, includes the following team members: <ul style="list-style-type: none"> • GL officers • Coordinator – General Ledger • Manager – FAAR • Chief Finance Officer
Random selection	Each PCard holder is to be given a number. A random number generator is then used to generate a number corresponding to this PCard holder and then randomly selects a PCard holder for auditing.

8. Document Summary

Coverage	WACHS wide
Audience	All staff
Records Management	Non Clinical: Corporate Recordkeeping Compliance Policy
Related Legislation	Financial Management Act 2006 (WA)
Related Mandatory Policies / Frameworks	<ul style="list-style-type: none"> Financial Management Policy Framework
Related WACHS Policy Documents	<ul style="list-style-type: none"> Purchasing Card Procedure
Other Related Documents	<ul style="list-style-type: none"> Financial Management Manual Western Australian Government Purchasing Card Guidelines Purchasing Card Spot Check Tool
Related Forms	<ul style="list-style-type: none"> FMM s625-3 FORM Notice of Non-Compliant Transaction
Related Training	Nil.
Aboriginal Health Impact Statement Declaration (ISD)	ISD Record ID: 4677
National Safety and Quality Health Service (NSQHS) Standards	1.07c.
Aged Care Quality Standards	Nil.
Chief Psychiatrist's Standards for Clinical Care	Nil.
Other Standards (please specify and include link)	Treasurer's Instruction TI 5 Treasurer's Guidance Handbook TG 5

9. Document Control

Version	Published date	Current from	Summary of changes
6.00	19 February 2026	19 February 2026	Updates to: <ul style="list-style-type: none"> timelines and sampling selection for the PCard audit check procedure Purchasing Card Spot Check Tool language/concept design changes and roles to existing purchasing card procedures.

10. Approval

Policy Owner	Executive Director Business Services
Co-approver	Nil
Contact	Manager, Financial Accounting, Analysis and Reporting
Business Unit	Business Services - Finance
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