

PCard Policy



Responsibility for policy: Director of Finance

Approving authority: Vice-Chancellor

Last reviewed: May 2016

Next review: May 2021

Application

1. This policy applies to all staff of the University of Waikato and other individuals who have been issued a University of Waikato PCard.

Purpose

2. The purpose of this policy is to set out the principles and processes that apply with respect to the issue and use of University of Waikato PCards.

Related documents

3. The following documents set out further information relevant to this policy:
 - [Financial Authority Policy](#)
 - [Financial Ethics Policy](#)
 - [Fraud and Corruption Policy](#)
 - [PCard Application and Terms and Conditions Agreement](#)
 - [PCard Manual](#)
 - [Procurement Policy](#)
 - [Staff Code of Conduct](#)
 - [Travel Policy](#)
 - [University of Waikato Fringe Benefit Tax Guide](#)
 - [Vehicle Use Policy](#)

Use of PCards

4. PCards should be used as the method of payment for:
 - Low value transactions - both continuing and one-off
 - Travel expenses where the final costs are not yet established (accommodation and rental vehicles etc.) but excluding airfares
 - Conference fees and associated expenditure
 - Online purchasing (other than through the University's approved purchasing systems)
 - Field trip expenses
 - Cash advances while undertaking international travel

Questions about whether a PCard is the correct method of payment for a particular type of expenditure should be referred to the Procurement Manager, Financial Services.

5. PCards must not be used for:
 - Personal expenses under any circumstances
 - Goods or services where the University has a preferred supplier contract, without the prior written approval of the Director of Finance or delegated authority
 - Capital items, without the prior written approval of the Director of Finance
 - Airfares
 - The purchase or payment of loyalty programme memberships (e.g. Koru Club)
 - Information and communication technologies - including all software, other than purchases made by authorised Information and Technology Services staff
 - Facility repairs and maintenance, other than purchases made by authorised Property Services staff

- Services attracting PAYE or withholding tax
- Purchases for staff that are subject to [Fringe Benefit Tax](#) (e.g. gift vouchers) without prior written approval of the Director of Finance or delegated authority
- Koha, donations, scholarships or sponsorships
- Lease agreements
- Refuelling of personal vehicles while engaged on University business
- Expenditure on food and drink for staff meetings without prior authorisation by the relevant Head of School, Director or equivalent in accordance with clause 64 of the [Procurement Policy](#)
- Any expenses which may represent a breach of any University policy
- Cash advances within New Zealand

Principles

6. All transactions made with a PCard are subject to:
 - this Policy
 - the [PCard Application and Terms and Conditions Agreement](#) signed by the cardholder
 - the cardholder's PCard limit
 - approval by the cardholder's designated approver.
7. When using a PCard, users must observe high standards of ethical behaviour and exercise a high degree of integrity and accountability consistent with the principles set down in the Staff Code of Conduct.
8. Staff who purchase goods or services using a PCard must adhere to the principle that if all relevant factors are equal, the University prefers to select goods or services that are less environmentally harmful.
9. An approver who believes that a cardholder has misused a PCard must complete a PCard Misuse Form and submit it to the Procurement Manager, Financial Services, for investigation.

Authority to issue and control

10. A PCard may only be issued by the Director of Finance or delegated authority.
11. The Director of Finance has sole authority for approving the issuing bank.
12. The Director of Finance has sole responsibility for approving the Expense Management Tool (Fraedom).

Issue of a PCard

13. [Applications](#) for a PCard are subject to the approval of the Director of Finance on the recommendation of the relevant line manager and budget holder (if different positions).
14. Subject to the approval of the Director of Finance, a PCard can be issued to all permanent staff who have purchasing responsibilities and/or are regularly required to travel on University business.
15. Prior to a PCard being issued, the approved staff member must read and sign the [PCard Application and Terms and Conditions Agreement](#); the approver, by approving the PCard application, also agrees to their responsibilities as the PCard approver.
16. A PCard must be signed by the cardholder upon receipt.
17. All cardholders must sign the [PCard Application and Terms and Conditions Agreement](#) on each occasion a PCard is renewed and otherwise at the discretion of the Director of Finance or delegated authority.
18. The PCard Administrator and other administrators of the Expense Management Tool (Fraedom) are not eligible for a PCard under any circumstances.

Spending limits

19. A schedule of spending limits for cardholders is set out in the [PCard Manual](#).

20. Where the current credit limit is insufficient for the cardholder's immediate purchasing requirements, it may be [temporarily or permanently increased](#) at the discretion of the Director of Finance or delegated authority following a recommendation from the relevant line manager.

Transaction approval limits

21. A schedule of transaction approval limits is set out in the [PCard Manual](#).

PCard cash advances

22. Cash advances on a PCard may be approved only while the cardholder is undertaking international travel.
23. All cash withdrawals are subject to:
- prior approval by the relevant line manager
 - reconciliation in the cash expense module in the Expense Management Tool (Fraedom).
24. Any cash advance not spent must be returned in New Zealand currency by repaying at the University Cashier at the Student Centre, or directly to the relevant PCard at any branch of the issuing bank; a receipt must be obtained for the amount repaid.
25. A cardholder who has not reconciled and accounted for previous cash advances in the Expense Management Tool (Fraedom), will be denied further cash advances.
26. Where a cardholder has not finalised cash advance reconciliation within two months after the cash advance took place, the University will treat this advance as a personal spend which must be reimbursed by the cardholder.

Loyalty programmes

27. Staff must not allow membership of any loyalty programme to influence their business decisions on behalf of the University.

Authority to waive the provisions of this policy

28. Only the Vice-Chancellor and the Director of Finance have authority to waive the provisions of this policy in individual cases.

Responsibility for monitoring compliance

29. The Director of Finance is responsible for monitoring compliance with this policy and reporting any breaches to the Vice-Chancellor.
30. Breaches of this policy may result in any of the following actions:
- cancellation of a PCard
 - the requirement that amounts determined to have been expended in breach of this policy be repaid
 - reduction of a PCard limit for a period of time
 - disciplinary action under the [Staff Code of Conduct](#).

Note

The term 'School' in this policy includes Faculties and the term 'Head of School' includes Deans.