

# PCard Policy



**Responsibility for policy:** Chief Financial Officer

**Approving authority:** Vice-Chancellor

**Last reviewed:** December 2024

**Next review:** December 2029

## 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](#)
  - [Koha and Donations Policy](#)
  - [Procurement Policy](#)
  - [Purchasing and Sensitive Expenditure Policy](#)
  - [Staff Code of Conduct](#)
  - [Travel Policy](#)
  - [University of Waikato Fringe Benefit Tax Guide](#)
  - [Vehicle Use Policy](#)

## Principles

4. The University recognises that it is a significant user of public money and its spending must meet the standards of probity and financial prudence outlined by the [Office of the Auditor General](#).
5. In accordance with the [Purchasing and Sensitive Expenditure Policy](#), the expenditure of University funds must:
  - a. have a justifiable business purpose that is consistent with the University's objectives
  - b. be made impartially
  - c. be made with integrity
  - d. be moderate and conservative, having regard to the circumstances
  - e. be made transparently, and
  - f. be made with proper financial authority.
6. In accordance with the [Procurement Policy](#), unless where an exemption has been approved or in an emergency situation, where preferred suppliers for the provision of specific goods, services and/or works have been determined those suppliers should be used to purchase those goods, services and/or works.

7. The purpose of a PCard is to provide an effective means of paying for everyday purchases and to reduce the reliance on staff reimbursements, cash advances and one-off purchases processed through Unimart.
8. The PCard is a means of payment only and use of the PCard does not reduce the requirement for appropriate purchase decision-making (including risk assessment) and compliance with authorisation processes for entering into a commitment on behalf of the University, including ensure that a budget has been approved for at least the value of the purchase.

### **Use of PCards**

9. Where the generation of a purchase order is not possible, a PCard should be used as the method of payment for:
  - a. low-cost regular purchases
  - b. one-off purchases
  - c. fixed asset purchases that have been pre-approved by the Chief Financial Officer
  - d. travel expenditure that cannot be covered by the University's Travel Management Company (TMC)
  - e. offshore hotels booked through the TMC
  - f. cash advances while undertaking travel
  - g. cash drawn by the Deputy Vice-Chancellor Māori or delegated authority for koha.
10. Prior approval must be obtained for the following expenditure types through [Kuhukuhu](#):
  - a. voucher purchases (Financial Services: Voucher Purchase Request)
  - b. capital purchases (Financial Services: PCard Services: Other)
  - c. cash drawn for koha in accordance with clause 9.g. of this policy (Financial Services: PCard Services: Arrange a cash advance on my PCard).
11. The use of a PCard for personal use is not permitted.
12. A PCard can only be used by the staff member to whom it was issued; under no circumstances may the PCard be shared with or used by any another person.
13. When making PCard purchases, PCard holders must:
  - a. ensure that [good security practice](#) is followed, and
  - b. only make purchases from reputable companies.
14. All PCard expenditure must be supported by sufficient documentation or evidence of approval that meets [IRD requirements](#).
15. All transactions made with a PCard are subject to:
  - this policy
  - the Terms and Conditions of Use provided by the banking institution that issued the card
  - the cardholder's PCard limit
  - approval by the cardholder's designated approver.
16. 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.

17. An approver who believes that a cardholder has misused a PCard must notify Finance through [Kuhukuhu](#) (Financial Services: PCard Services: Other) for investigation.

### **Authority to issue**

18. A PCard may only be issued by a banking institution authorised by the Chief Financial Officer or delegated authority.

### **Issue of a PCard**

19. Applications for a PCard must be made through [Kuhukuhu](#) (Financial Services: PCard Services: Request a new PCard) and are subject to the approval of the relevant line manager.
20. A PCard can only be issued to permanent and fixed term staff who have purchasing responsibilities and/or are regularly required to travel on University business.
21. A PCard must be signed by the cardholder upon receipt.

### **Return of a PCard**

22. When a PCard holder leaves the employment of the University they must return any PCard issued to them to their line manager; all expenditure made on the PCard must have been coded and approved prior to their last day of employment.

### **Spending limits**

23. PCards are issued with a default limit of \$3,000.
24. Where the credit limit on a PCard is insufficient for the cardholder's immediate purchasing requirements, it may be [temporarily or permanently increased](#) at the discretion of the Chief Financial Officer or delegated authority following a recommendation from the relevant line manager through [Kuhukuhu](#) (Financial Services: PCard Services).

### **Approval of PCard transactions**

25. PCard transaction approvers must ensure that, before they approve transactions, the purchase complies with the principles set out in both this policy and the [Purchasing and Sensitive Expenditure Policy](#), and is supported by appropriate documentation.

### **PCard cash advances**

26. PCard cash advances will only be approved:
- for the purpose of incidental travel-related expenditure that cannot be booked by the University's TMC or paid for by PCard, or
  - by the Deputy Vice-Chancellor Māori or delegated authority for the purpose of koha.
27. All cash withdrawals are subject to:
- prior approval by the relevant line manager
  - reconciliation in the cash expense module in the Expense Management Tool.
28. In the event that unspent funds remain from a cash advance, the PCard holder must lodge a request through [Kuhukuhu](#) (Financial Services: PCard Services: Other) for instructions on repayment.

29. A cardholder who has not reconciled and accounted for previous cash advances in the Expense Management Tool , will be denied further cash advances.
30. 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.

### **Misuse of a PCard**

31. PCard transactions must be coded in a timely manner; transactions that remain uncoded for more than three months after the transaction date may result in the following actions being taken by the Chief Financial Officer or delegated authority without notice to the PCard holder or the approving line manager:
- a. putting a block on the PCard to disable its use
  - b. cancellation of the PCard
  - c. any other action as determined by the Chief Financial Officer or delegated authority.
32. Misuse of a PCard includes, but is not limited to:
- a. inappropriate expenditure
  - b. personal expenditure
  - c. insufficient or inadequate supporting documentation
  - d. inappropriate use of a cash advance facility
  - e. use of a PCard by someone other than the card holder
  - f. failure to provide a correctly authorised monthly statement.
33. The misuse of a PCard may result in:
- a. cancellation of the PCard
  - b. a request for immediate reimbursement, in full, of the inappropriate expenditure
  - c. possible disciplinary action under the Staff Code of Conduct.
34. Intentional misuse of a PCard for personal benefit is fraudulent behaviour under the University's [Fraud and Corruption Policy](#) and will be referred to the relevant disciplinary authority for the purpose of investigation and possible prosecution.

### **Authority to waive the provisions of this policy**

35. Only the Vice-Chancellor or the Chief Financial Officer have authority to waive the provisions of this policy in individual cases.

### **Responsibility for monitoring compliance**

36. The Chief Financial Officer is responsible for monitoring compliance with this policy and reporting any breaches to the Vice-Chancellor.
37. Breaches of this policy may result in any of the actions set out in clause 33 of this policy.

### **Note**

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