

# Purchasing, Companion Card and Petty Cash Policy

## Section 1 - Introduction

(1) This policy specifies the University of Newcastle's (University) requirements for the use of University Purchasing Cards, Companion Cards and Petty Cash.

(2) In exceptional circumstances, an exemption to a specific clause contained within this policy, or its associated documents, may be approved by the Chief Financial Officer.

## Section 2 - Audience

(3) This policy and its associated documents should be read and understood by all staff of the University who have been issued with a University Purchasing Card, a University Companion Card, all delegated Purchasing Card Approvers, and staff authorised to hold a petty cash float.

## Section 3 - Scope

(4) This policy applies to the use of Purchasing Cards (credit cards) and Companion Cards (debit cards), and Petty Cash issued by the University.

## Section 4 - Associated Documents

(5) The following associated documents form part of this policy and should be read in conjunction with this document:

- a. [Purchasing and Companion Card Procedure](#);
- b. [Purchasing Card Transaction Classification Schedule](#);
- c. [Petty Cash Procedure](#);
- d. [Travel Policy](#);
- e. [Travel Procedure](#);
- f. [Procurement Policy](#);
- g. [Quotation Procedure](#); and
- h. [Goods and Service Procurement Guide](#).

## Section 5 - Policy Specific Definitions

(6) In the context of this policy:

- a. "portable and attractive items" are items of equipment that are portable and attractive in nature, that:

- i. have a value greater than \$100;
- ii. do not meet the University's definition of an asset; and
- iii. are susceptible to theft or loss due to their portable nature and attractiveness for personal use or resale.

Examples include, but are not limited to:

- laptop computers;
  - computing peripherals;
  - mobile phones;
  - cameras;
  - digital / film / video projectors;
  - label printers;
  - televisions;
  - power tools;
  - drones;
  - DVD players;
  - VR/AR equipment;
  - other audio visual equipment; and
  - white goods including kitchen equipment;
- b. "petty cash" refers to funds available for the reimbursement or purchase of items of a small value that cannot otherwise be purchased via purchasing cards or direct debit;
  - c. a "Purchasing Card Approver" is a role assigned in the Expense Management System to a person who has been granted delegated authority to approve purchasing card transactions, in accordance with the Vice-Chancellor's Operational Sub Delegations.
  - d. "misconduct" or "serious misconduct" is:
    - i. as defined in an applicable [Enterprise Bargaining Agreement](#); or
    - ii. behaviour that is not in accordance with the University's [Staff Code of Conduct](#) or the staff member's contract of employment, where the [Enterprise Agreement](#) is not relevant;
  - e. "pre-approval" refers to expenditure that requires prior approval by an authorised delegate before using the Purchasing Card for the expenditure. Evidence of pre-approval is necessary; and
  - f. "travel portal" refers to the University's Online Travel and Approval system.

## Section 6 - Principles

### Eligibility

(7) Staff employed in the following categories, as defined by the relevant [Enterprise Agreement](#), and who have a regular and demonstrated need to purchase in-scope specific goods or services, and/or are required to undertake regular travel on University business, are eligible to apply for a Purchasing Card or Companion Card:

- a. full-time continuing and contingent staff;
- b. part-time continuing and contingent staff; and
- c. fixed-term employment and contingent staff.

(8) A delegate may approve the retention of a purchase card or travel companion card by a non-employee staff member where the cardholder enters into a Non-Staff Cardholder Responsibility Deed Poll.

(9) Eligibility to act as a Purchasing Card Approver is in accordance with the University's Operational Sub-Delegations

made by the Vice-Chancellor (see [Delegations Register](#)).

(10) Staff with a specific operational need that cannot be met through use of a purchasing card, cash reimbursement or direct debit may be eligible for a petty cash float.

## **Petty Cash Usage**

(11) Petty cash is only to be used where there is a specific operational need that cannot be met using a purchasing card or direct debit. Staff requiring a petty cash float are required to discuss the specific need with Financial Services staff to confirm the appropriateness of a petty cash float to meet the operational need, and obtain approval from the Chief Financial Officer.

(12) The maximum value of a petty cash expense is \$100 including GST.

## **Purchasing Card Usage**

(13) The University Purchasing Card must only be used for official University business expenditure when an approved supplier is not already established in the University's Finance System.

(14) Purchasing card's are only to be used for:

- a. low value items;
- b. non-recurring items; or
- c. work related travel and accommodation expenses.

(15) Cardholders must not incur expenditure that is classified as Excessive, Inappropriate or Prohibited as defined in the Purchasing and Companion Card Procedure and [Transaction Classification Schedule](#).

(16) Purchasing Cards will have a maximum card limit and transaction limit which must not be exceeded. Both of these limits will be advised to the Cardholder upon issue of the Purchasing Card. Regardless of the transactional limit cardholders must be economical at all times in their purchasing.

(17) The University Purchasing Card must not be used on weekends or when the cardholder is on leave unless the expenditure is directly associated with approved University business.

## **Companion Card Usage**

(18) Companion Cards are available to eligible staff who travel internationally as part of their normal duties while employed by the University, and where:

- a. credit card payments are not accepted or practical in the area or region in which the travel occurs; and
- b. it is not practical or possible for the cardholder to use their own funds and seek reimbursement on return.

(19) The University Purchasing Card is the preferred option while travelling overseas.

(20) The Companion Card is only to be used for international cash withdrawals where a Purchasing Card cannot be used.

(21) A non-regular travellers' Companion Card limit will be set at \$1.00 while not travelling. The limit will only be increased for the period in which the traveller is travelling overseas.

(22) Where a cardholder is making an overseas trip within three (3) months of the previous trip, a positive balance on the Companion Card (i.e. where the cardholder owes the University money) may be held pending the upcoming trip.

Similarly, a negative balance (i.e. where the University owes the cardholder money) may also be acceptable in these circumstances, until Card Services makes additional advances for the subsequent trip.

(23) Companion Cards must have a zero balance by the first Friday in December of each year unless alternate arrangements are made with Card Services.

## **Suppliers**

(24) Purchasing card transactions must not be incurred through inappropriate suppliers (i.e. those in conflict with the University's contracted supplier relationships, as detailed on the [Purchase to Pay sharepoint site](#)), or incurred through suppliers who may expose the University to potential reputational damage.

## **Purchasing Card and Petty Cash Transactions**

(25) Transactions must be reasonable, not excessive, and appropriate.

(26) Purchasing card transactions must, as a general rule, be incurred against the Purchasing Card of the staff member to which the expenditure primarily relates. Where a transaction is made on behalf of a senior officer by a designated personal/administrative assistant, Executive Officer, or other delegate, and where the expenditure is for the general functioning of the office, school or administrative unit, the purchaser may utilise their own card to incur the transaction.

(27) Where an expense incurred by the Purchasing Card cardholder comprises both official University business and personal expenditure, the personal expenditure must be paid to the supplier separately by the cardholder. Only the portion of the expense that relates to the University must be charged to the Purchasing Card.

(28) Petty cash must only be used for University business.

(29) Splitting purchases into smaller amounts to circumvent the requirements of the University's [Quotation Procedure](#), [Petty Cash Procedure](#) or purchasing card limits or transaction limits is strictly prohibited.

(30) Subordinating Purchasing Card transactions to another cardholder to circumvent the normal approval channels is strictly prohibited.

(31) Expenses must not be incurred where a conflict of interest exists (see [Conflict of Interest Policy](#)).

(32) All Purchasing Card and Petty Cash transactions must be acquitted in the Expense Management System (FlexiPurchase) by the cardholder or petty cash custodian, for approval in accordance with clause 33.

## **Approval of Transactions**

(33) A delegated Purchasing Card Approver or Petty Cash Approver must:

- a. only approve transactions that do not relate specifically to themselves;
- b. not approve transactions which are prohibited in, or not in accordance with, this Policy or its associated documents, or any other University policy;
- c. not approve transactions whilst on extended periods of leave, including long service leave, leave without pay, annual leave, sick leave or other similar leave; and
- d. ensure that they are satisfied with the need for each transaction, that the transaction is business related, and that the transaction amount is reasonable.

## **Purchasing Card Pre-Approval Requirements**

(34) Pre-approval for applicable Purchasing Card transactions is sourced through the University's Expense

Management System, and must occur before incurring expenditure.

(35) Pre-approval for travel related expenditure is sourced through the travel portal. The University utilises a third-party travel payment provider for most airfare and accommodation expenses, through which transactions are processed to a central virtual card and not a Purchasing Card. For any travel related expenses not processed via the third-party travel payment provider, these expenses will be allocated to the applicable Purchasing Card.

(36) Evidence of pre-approval must be either electronically attached, linked, or otherwise referenced against the purchase transaction.

(37) Pre-approval is required for:

Expenditure Type	Where to Obtain Pre-Approval
International or Domestic Travel	Travel Portal
Entertainment >\$500 or >\$5000 for members of Executive Leadership Team (Refer to <a href="#">Purchasing Card Transaction Classification Schedule</a> )	Expense Management System
Professional Membership Subscriptions (including renewals)	Expense Management System
Costs associated with the use of a Private Motor Vehicle	Expense Management System
Automatic Periodic Debit Authorities	Expense Management System
Portable and Attractive Items	Expense Management System
Transactions equal to or greater than \$5,000 (AUD)	Expense Management System

## Section 7 - Non Compliance

(38) Non compliance with this policy will be classified as one of the following types:

- procedural non-compliance – failure to comply with this Policy or its associated documents;
- inappropriate transactions – transactions that are not allowed by University policy, government regulation or other law;
- excessive cost of transactions – authorised goods and/or services purchased at terms that are disproportionate to their worth to the University, or that are generally considered excessive with reference to comparable prices for like goods and/or services;
- excessive volume of transactions – authorised goods and/or services purchased at a frequency that is not comparable to a demonstrated need for the goods and/or services; or
- fraudulent transactions (“fraud” as defined in the [Fraud and Corruption Framework](#)) – the use of a University Purchasing Card to acquire goods and services for personal use or personal gain, which represents fraud against the University.

(39) The University will deal with non-compliance in accordance with the relevant [Petty Cash Procedure](#) or [Purchasing Card and Companion Card Procedure](#). Where non-compliance is considered misconduct or serious misconduct the matter will be dealt with in accordance with the provisions of a staff member’s employment contract or relevant [Enterprise Agreement](#). In addition, the University may also take the following administrative actions:

- card suspension;
- card cancellation;
- petty cash float revocation;
- declinature of future expenses submitted;

- e. cost recovery; and/or
- f. criminal action (including reference of matters to appropriate external agencies).

## Status and Details

Status	Current
Effective Date	3rd August 2022
Review Date	3rd August 2025
Approval Authority	Chief Financial Officer
Approval Date	1st August 2022
Expiry Date	Not Applicable
Responsible Executive	Paul McCubbin Chief Financial Officer
Enquiries Contact	Paul McCubbin Chief Financial Officer <hr/> Financial Services

## Glossary Terms and Definitions

**"University"** - The University of Newcastle, a body corporate established under sections 4 and 5 of the University of Newcastle Act 1989.

**"Asset"** - Any tangible or intangible item (or group of items) that the University owns or has a legal or other right to control and exploit to obtain financial or other economic benefits.

**"Companion Card"** - A debit card provided by the University for use by international travellers to access cash withdrawals only.

**"Officer"** - Has the meaning given in the Corporations Act 2001 (Cth), or any replacing legislation.

**"School"** - An organisational unit forming part of a College or Division, responsible for offering a particular course.

**"Staff"** - Means a person who was at the relevant time employed by the University and includes professional and academic staff of the University, by contract or ongoing, as well as conjoint staff but does not include visitors to the University.

**"University business"** - Work that the University has directed to be undertaken which is required, essential, and beneficial for the functions of the University. This includes, but is not limited to, attending meetings, conferences or fieldwork, but does not include activity that is not location specific, e.g. email management, writing papers. University business may be undertaken by staff and non-staff.

**"Delegate"** - (noun) refers to a person occupying a position that has been granted or sub-delegated a delegation of authority, or a committee or body that has been granted or sub-delegated a delegation of authority.

**"Delegated authority"** - refers to the specific description of the authority that is delegated or sub-delegated to a holder.