

CREDIT CARD POLICY

Section	Finance
Contact	Chief Financial Officer
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Purpose:

To define the policies governing the use of credit cards for Massey University (the University).

Introduction:

University procurement costs can be minimised by placing both the authority to buy and the means to pay for low value goods or services or capital purchases with authorised employees. This expedites small value purchases, reduces the reliance on staff reimbursements and reduces the number of small payment transactions processed through the Accounts Payable office.

Policy:

Credit cards can only be issued by the University's approved credit card supplier.

- Staff applying for a credit card must obtain approval from the Chief Financial Officer (CFO) following endorsement by the relevant Head of Department/Institute/School (HoD/I/S) or SLT member. An appropriate financial delegation is required to be in place before a card is issued. Staff must be directly involved in purchasing on behalf of the University, will be required to complete training in the use of the card and comply with the terms of the employee declaration.
- Credit cards will only be issued to staff who are permanently employed or on a fixed term contract of at least six months. While consideration may be given to contractors, discretion for this lies solely with the Assistant Vice-Chancellor Strategy, Finance, IT and Commercial Operations (AVC SFIC) or her/his delegate, following provision of a delegated authority in line with the requirements of the Delegations Policy.
- Procedures for a credit card application can be found in the Credit Card User Manual.
- For cardholders whose monthly credit limit is \$5,000 or above, the per transaction limit is \$5,000. For cardholders with a monthly credit limit below \$5,000, the limit per transaction is the same as the monthly credit limit.
- Subject to a known or expected need, a credit card may be requested for new employees prior to their first day. The card will not be issued until the employee commences duty, has undertaken formal training in credit card use and has approved financial delegation for the appropriate amount.
- Credit cards are to be cancelled when the cardholder is no longer employed by the University. Credit cards that have not been used for a period of six months will be reviewed for continuation by the Review Team in consultation with the CFO.

- All requests to the bank for credit cards to be issued will only be made upon a completed application form, approved by the CFO.
- The cardholder is the only person authorised to use their card. The use of the card by others is not permitted and under no circumstances may a cardholder disclose their card's personal PIN number to others.
- Credit cards have been supplied for genuine business expenditure only and are not to be used for personal purchases.
- The University has arrangements with preferred suppliers for travel (including rental cars), accommodation, computing equipment, stationery and fleet vehicle fuel. All purchases relating to such expenditure must be made in accordance with those arrangements and not charged to a credit card. For details of these arrangements refer to the Procurement Procedures.
- Authorised staff from Finance will undertake reviews of cardholder purchases on a systematic basis in accordance with the Credit Card User Manual. In addition, audits will be carried out from time to time.
- Persons found to be in breach of this policy or using a University credit card to breach related policies (such as Discretionary expenditure and Gifts Policy), may expect withdrawal of the card, disciplinary action (including possible dismissal) and, in the event of serious and wilful misuse, notification to the Police. In all cases of misuse, the University reserves the right to recover any monies from the cardholder by appropriate legal means including deduction from salary/wages (per the Credit Card Application form). Suspected misuse will be reported to the card holder's manager and the CFO. Where serious and wilful misuse is suspected, the Director Risk and Assurance will also be notified.
- There are three levels of approval in the expense management system (EMS) – BNZ FlexiPurchase:
 - Approver / Manager Level 1 – responsible for approving staff reimbursement claims under \$5,000 (refer Reimbursement of Expenses Policy and Procedures).
 - Approver / Manager Level 2 – responsible for approving credit card transactions under \$5,000.
 - Approver / Manager Level 3 – responsible for approving credit card transactions and staff reimbursement claims over \$5,000 (refer Reimbursement of Expenses Policy and Procedures).

Note these Approver / Manager levels are specific to the EMS and may differ to other delegation levels as specified in the University's Delegations of Authority Policy.

- All transactions over \$50 must be supported by appropriate documentation to meet GST compliance requirements. Transactions under \$50 must be supported by appropriate documentation but will not require approval in the EMS.

Definitions:

Capital

Property, plant and equipment purchases over \$2,000 excluding GST
Intangible assets over \$20,000 excluding GST

The Asset Financial Procedures document outlines these thresholds in detail. Please refer Appendix A for descriptions, useful life and notes for each category.

Audience:

All Staff

Relevant Legislation:

None

Related Procedures and Documents:

[Credit Card User Manual](#)
[Delegations of Authority Document](#)
[Discretionary Expenditure and Gifts Policy](#)
[Discretionary Expenditure and Gifts Procedures](#)
[Procurement Policy](#)
[Procurement Procedures](#)
[Asset Financial Procedures](#)
[Fraud Prevention Policy](#)

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