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CORPORATE CREDIT CARD POLICY

1 BACKGROUND

The Vaal University of Technology (VUT) Corporate credit cards are issued by the VUT's authorised bankers to authorised managers. The credit card is used to ensure efficiency and effectiveness where circumstances require that certain expenses be made on behalf of the University.

1.1 OBJECTIVE

The purpose of this policy is to define the parameters around the use of the VUT Corporate credit cards, and the associated roles and responsibilities, to ensure efficient and effective use of the card.

1.2 SCOPE

This policy includes all activities related to the use of the VUT Corporate credit card but not supersede existing policies related to:

- Subsistence and travel
- Reimbursements
- Petty cash
- Procurement

2. DEFINITIONS

The following definitions apply to terms as they are used in this policy:

Corporate credit card	An acquisition tool for which a specific employee is assigned use and responsibility.
Card holder	Employee having use of and responsibility for the Corporate credit card.
Card administrator	Employee responsible for administering the VUT corporate credit card.
Corporate card expense report	Report that is received by the Card administrator which reflects all the detailed card transactions for a specific Card holder and the status of the transactions.
Unapproved transactions report	Transactions that are not supported by invoices and vouchers attached as the approved purchase requisition as approved by the line-manager.
Supporting documents	Supporting documentation is generated when a purchase is made. The documents normally contain all the details of the transaction and name of the merchant. It is important to keep this documentation as proof of the transaction and the transaction details. <i>Examples of supporting documentation:</i> <ul style="list-style-type: none"> • Tax receipt • Sales slip • Order acknowledgement • Invoice



3. NON-COMPLIANCE WITH THE VUT POLICY AND PROCEDURES

- 3.1 Failure to use the card in compliance with the VUT Corporate/Official credit cards Policy and procedures can result in disciplinary action being taken against the card holder.
- 3.2 Management/Council reserves the right to withdraw the credit card should any part of the policy be violated.
- 3.3 If a Card holder's card is revoked for non-compliance, the individual may not apply for a subsequent card without written authorization by the Executive Management Committee.
- 3.4 **Non-compliance includes:**
 - instances where the staff member does not use the Credit card according to the policy and procedures; and
 - instances where invoices were not submitted within 30 days.

4. ELIGIBILITY

- 4.1 Any manager on levels PL1-4 is eligible for a Corporate/official credit card.
- 4.2 Each issuance needs to be warranted by a business need and authorized by Executive Management Committee.
- 4.3 The Campus Director: Uppington (PL5), due to the remoteness of the site, may be issued with a credit card.

5. APPROVALS

- 5.1 Approval of the requisition should be done by the line manager of the card holder.
- 5.2 Evidence of the approval must be provided with all **original** invoices to ensure each transaction was duly approved.

6. ALLOWABLE CARD USAGE

The official VUT card may be used for:

- 6.1 Entertaining official guests of the Vaal University of Technology.
- 6.2 *Ad hoc* situations may include the provision of meals or refreshments for employees e.g. overtime worked certain functions, and/or events.
- 6.3 Payment of pre-approved conference and related fees.
- 6.4 Incidental travel and meals when on University business trips and/or attending external meetings, etc.
- 6.5 Purchase of literature relevant to the specific portfolio of the credit card user.



7. THE POLICY EXPLICITLY EXCLUDES THE USE OF THE CARD FOR:

- 7.1 Private use.
- 7.2 Day-to-day needs, e.g. the procurement of equipment, stationary, office refreshments, etc., thus bypassing the approved procurement procedure.
- 7.3 Gift vouchers.
- 7.4 Foreign purchases that require customs documentation and clearance.
- 7.5 Cash withdrawal.
- 7.6 Purchase of alcoholic beverages
- 7.7 Acquisition of fuel.

8. ROLES AND RESPONSIBILITIES

8.1 Role and responsibilities of the Card holder:

The Card holder is obliged to:

- 8.1.1 As soon as possible after using the credit card, the credit card slip and the original supporting invoices and vouchers must be sent to the Finance Department, attached to a completed requisition, approved by the respective line manager, but not later than 30 days from date of transaction.
- 8.1.2 Any card holder failing to adhere to Section 8.1.1, shall, within 30 days of the due date of such submission, be held accountable for the full amount which will automatically be deducted from his/her salary in the first month, following the expiry of the 30 day period. In addition, the necessary disciplinary action must be taken against the employee concerned.
- 8.1.3 Monitor the expenses on their card, via the Corporate card expense report and statement, to identify fraudulent transactions on their card and notify the bank and the Card administrator within 30 days of the statement date.
- 8.1.4 The Card holder is required to sign a Card holder agreement attesting to their commitment to complying with terms and conditions of the agreement and this policy, and accepting responsibility for any failure to do so.

8.2 Role and responsibilities of the Card holder's line manager:

- 8.2.1 The Card holder's line manager approves requisitions supported by original documentation.

8.3 Role and responsibilities of the Card administrator:

- 8.3.1 Corporate card administrator is responsible for the general administration of the cards. On a monthly basis the Card administrator should provide the following reports:
 - Unapproved transaction report to the Card holder; and
 - Corporate card expense report to the Card holder.



The Card administrator must file these reports and retain them for audit purposes.

9. CORPORATE CARD TRAINING

Card holders

- 9.1 Card holders must attend an information session, in person, where the policy requirements and procedures will be covered, prior to the Corporate card being issued. No proxies are acceptable.
- 9.3 The Card holder will be given a copy of this policy, relating to the use of the Corporate credit card, at the time of the session.
- 9.4 The procedures in terms of signing and completing the Corporate credit card holder agreement will also be covered during the training session, to ensure staff members are aware of their responsibilities and accountability in terms of transactions made.

10. CREDIT CARD LIMITS

- 10.1 Credit card limits must be approved by Council.
- 10.2 A temporary increase in card limits for overseas travel only, may be approved by the Line Manager, subject to the approved overseas travel by the Executive Management Committee. The temporary increase will be valid for the period of overseas travel only and limited to the approved budget only.

The current credit card limits are:

POST LEVEL	DESIGNATION	LIMIT
1	Vice-Chancellor & Principal	R20 000.00
2	Deputy Vice-Chancellors	R15 000.00
3	Registrar/Chief Financial Officer (CFO)	R10 000.00
4	Executive/Directors/Campus Principals	R 7 500.00

A change (increase) in card limits may only be executed on recommendation of the Finance Committee and approval of Council.

11. LOST/ STOLEN CARDS

Lost or stolen cards should be reported to the service provider and Executive Director: Finance immediately.

