



PETROL/FUEL CARD POLICY

1. POLICY

The Vaal University of Technology provides all managers on levels P1 – P4, as well as the incumbents of certain identified posts, with a petrol/fuel card in order to ensure efficiency where traveling is necessary; and where it is expected of incumbents to travel in order to execute their normal duties. The following persons are concerned:

- Vice-Chancellor and Principal: (P1)
- Deputy Vice-Chancellors and Chief Financial Officer (CFO). (P2 & P3)
- Executive Deans, Executive Directors and Campus Directors: (P4)
- All incumbents in identified posts where employees are expected to, by the nature of their work spend more than 50% of time focusing on external marketing, fundraising and industrial liaison, as well as recruiting of students.

1.1 The corporate garage card (fuel/petrol card) is to be used for University purposes, as well as private cars, as approved by Executive Management Committee (EMC)/Council.

1.2 Garage cards should be used for the following purposes only:

- Fuel
- Car maintenance (emergency breakdowns)
- Tyres
- Cars wash(es) and
- Wheel balancing

2. PROCEDURE

2.1 The corporate petrol/fuel cards are linked to identified posts and will be issued to incumbents immediately after appointment.

2.2 Incumbents shall apply for fuel cards at the Finance Department and shall sign for it.

2.3 All card holders will manage expenses in accordance with monthly allowances approved for posts on levels P1 to P4 and specifically approved lower level posts.

2.4 The amount per month for post levels P1 to P4, will be adjustable annually according to the approved annual salary increase and decision by Rectorate/EMC/Council¹.

2.5 All other posts qualifying for fuel cards will receive an average suitable amount which will allow incumbents to execute their duties. These amounts will be approved annually by EMC and provision should be made for such expenditure within the annual budget.

2.6 The fuel card is not taxable when it is used for the sole purpose of the execution of normal duties (University purposes). If it is used to provide fuel for an incumbent's privately owned car, it becomes a taxable income and should be shown on the IRP5 for tax purposes in accordance with regulations of the South African Revenue Services (SARS).²

2.7 A motivation for over expenditure should be submitted by the Deputy Vice-Chancellor for approval, where circumstances necessitate more travelling than budgeted for.³



- 2.8 The supervisors, (one level above the incumbents using the fuel cards), should control budgets and expenditure, and report non-approved over-expenditure to the manager (two levels up), in order to obtain authorization and approval for the additional amounts spent.
- 2.9 For all posts lower than level P4, logbooks should be kept in order to allow proper control by seniors.
- 2.10 All documents pertaining to petrol cards should be properly completed at all times.
- 2.11 Abuse of this benefit could lead to disciplinary action against incumbents and withdrawal of the benefit.
- 2.12 Once the incumbent has resigned, the card must be returned to the Finance Department. Expenditure incurred after the last working day of the said incumbent, shall be charged to his account and deducted from monies payable to him/her.
- 2.13 Missing or stolen cards should immediately be reported to the Finance Department.

¹ Council Approval - 31 Aug 2006:

Limits to be adjusted annually in line with the % increase in the operational budget; Limits for post levels lower than 4 would be determined by Management on the basis of the operational requirements of the position.

² Rectorate decision – 2 June 2010: Amendment to the Policy

Employees receiving a fuel allowance may continue on the current arrangement, i.e. the Institution will provide a fuel card subject to existing terms and conditions. The current deduction will continue to be reflected in their salary advice.

Employees may relinquish the VUT fuel card and acquire a fuel card in their personal capacity, which will allow them the flexibility required. In this case no deduction will be reflected in the salary advice. Should this option be chosen, employees will be required to return their VUT fuel cards before implementation.

³ Rectorate decision - 2 Dec 2008:

The period of extended payment may not exceed 6 months, i.e. 30 June each year). As from 2009 (applicable for repayments in 2010) only a maximum total overspending of R6000 will be allowed. The approval is subject to the provisions of the Income Tax Act, i.e. the South African Revenue Services request the interest on it be considered as a fringe benefit tax, the employee will be responsible for payment of same.