



Purchase Card Policy

Version 1.4 **Published 20th May 2024**

1. Scope and Purpose

- 1.1. This policy sets out the rules relating to University Purchase card use. A purchase card is a company charge card. It works in the same way as a personal credit card but has strict security and control features.
- 1.2. The purpose of the Purchase Card is to allow nominated staff (cardholders) to undertake their roles using the card:
 - As departmental purchasers - to buy low value goods and services from infrequently used/online suppliers who are not set up on York E-Purchase (YEP). Low value is defined as purchases up to £5,000 in accordance with [Financial Regulations regarding non-pay spend](#).
 - As frequent travellers - to pay for expenses they might incur whilst travelling on university business and which cannot reasonably be booked via the University's contracted travel management companies.
- 1.3. The purpose of this policy is to clarify what the Purchase Card is and is not allowed to be used for. It complements and is consistent with the [Travel and Expenses Policy](#). Should there be any differences between these two policies on a related issue, the Travel and Expenses Policy shall take precedence.
- 1.4. It does not contain best practice guidance or procedures but provides links to them.
- 1.5. This policy applies to all staff of the University and its subsidiary companies who have a Purchase Card (cardholders) and all approvers of those cards (card approvers).
- 1.6. The rules in this policy apply to all purchases made using the University Purchase Card regardless of the source of funding. Where external grants or other funds are in place, the University's policy will take precedence unless the external funder's rules are stricter than this policy, in which case they will apply.
- 1.7. **Cardholders are responsible and accountable for all purchases made on their card and**

ensuring that this expenditure complies with the [Travel and Expenses Policy](#) and [Financial Regulations](#) (particularly section 11 on Non-Pay Expenditure).

- 1.8. In this policy, “must” is used when expressing obligation or an unavoidable requirement unless there is a justified exception approved by the budget holder.
- 1.9. This policy supersedes any other University, College or Department guidance on Purchase Cards.
- 1.10. The rules of this policy will apply to all card applications, transactions and approvals immediately after its publication.

2. Key Principles

- 2.1. Key principles stated in the Travel and Expenses Policy apply, where relevant to Purchase Card transactions, particularly :

Value-for-money

The University is a charity and receives public funds - all spend is subject to public scrutiny and formal audit. Cardholders must treat all funding as if they were spending their own money i.e. seek best value for money within the context of what is being bought.

All University spend is open to public scrutiny and formal audit. The University is subject to the Freedom of Information Act (FOIA) and has to publish anonymised details of purchase card transactions and expense claims.

No personal gain

Cardholders must make decisions in the best interests of the University and without any prospect of personal gain. For example, purchases must not be influenced by the possibility of collecting personal loyalty points. It is the cardholder's responsibility to act reasonably and with honesty and integrity when purchasing on behalf of the University.

3. Eligibility

- 3.1. All Purchase Cards must bear the name of the University and the individual cardholder. Staff eligible for a Purchase Card fall into two types:
 - Departmental purchasers - support staff who purchase on behalf of others within their departments.
 - Frequent travellers - defined as staff who need to use their card at least 24 times a year for travelling OR who incur travel and expense costs of at least £2,000 per year.
- 3.2. Decisions of eligibility will be the responsibility of Finance Department.

4. Application Process

- 4.1. Cardholders must have an approver of their card spend who is either their line manager, Admin Manager or Deputy Head of Faculty Operations (DHFO). An approver may delegate this approval to someone appropriate (e.g. DHFO to admin manager).
- 4.2. When applying for a Purchase Card, cardholders must not nominate reciprocal approvers/delegates i.e. cardholder A must not be an approver or delegate for cardholder B if cardholder B is the approver or delegate for cardholder A.
- 4.3. Cards for frequent travellers will have default limits of £1,000 per transaction and £2,000 monthly spend. Limits for departmental purchasers may be higher and based on specific department needs. Decisions on limits will be the responsibility of the Finance Department, taking into account the availability of alternative purchasing routes.
- 4.4. New card applicants must follow the [application process](#). All applications must be authorised by DHFO or the Head of Department. By authorising an application, the DHFO/Head of Department is confirming that the applicant and the approver of spend on the card are suitable and eligible staff in accordance with this policy.
- 4.5. By applying for a card, the applicant agrees that they will comply with the rules set out in this policy and use the online spend management portal (see [Purchase card web pages](#)) to provide detailed information about each transaction.

5. Usage Rules

- 5.1. Where use of a Purchase Card is required, it must only be used for:

Departmental Purchasers

- Purchasing low value goods and services (typically less than £5,000) from suppliers who will be used infrequently or as a one-off to avoid having to set up the supplier on YEP.
- Purchasing goods and services only available online
- Paying suppliers quickly - exceptional cases only if supplier already set up on YEP or would otherwise be set up on YEP.
- Paying suppliers who raise PayPal invoices to the University as a means of receiving payment. Staff cannot set up or use PayPal accounts for University business or link them to their purchase cards.

Frequent Travellers

- Incidental expenses (including entertainment) whilst travelling on business
- Travel where it is not reasonable to book through the University's contracted travel management companies (see Expenses FAQs).

- 5.2. A Purchase Card **must not be used for**:

- Purchasing items for personal use.
 - Making donations to charities.
 - Purchasing goods and services from suppliers already set up on YEP (apart from exceptional cases, as detailed above). Purchase orders must be raised for purchasing goods and services from these (YEP) suppliers.
 - Purchasing goods and services from [preferred suppliers](#) - in these cases, the described ordering route must be used.
 - Purchasing goods and services online using personal accounts. Cardholders must not link their University Purchase Card to their own personal online account (e.g. Amazon) - all University purchases must be made using University email/delivery addresses.
 - Purchasing fuel if using your own vehicle for University business. This must always be claimed on expenses.
 - Purchasing gifts for staff, including where funded by a staff collection e.g. leaving gift, wedding gift, etc.
 - Travel costs and incidental expenses unless the card has been issued specifically for that purpose to a frequent traveller for use when travelling. Otherwise, it is strongly recommended that staff use the University's contracted [travel management companies](#) or the expenses process.
 - Any expenditure which does not comply with the University's Financial Regulations and Travel and Expenses policy.
 - Paying for goods/services supplied by other University departments e.g. catering, printed stationery.
- 5.3. Card usage will be monitored on a regular basis. Infrequent use or changes to cardholder eligibility may result in the withdrawal of the card.
- 5.4. It is University policy to not store cardholder data. Staff must not store any cardholder data on the University's systems, filestores etc or in spreadsheets or manually.
- 5.5. Card details must not be written down and shared with anyone else. If a supplier asks you to complete a form with your card details contact [Procurement](#) for advice.

6. Cash Withdrawals

- 6.1. The facility to withdraw cash is not enabled on purchase cards as a default. Cash advances for longer trips overseas may be requested in accordance with the Travel & Expenses Policy. However if a cash advance is not practicable and a cardholder needs to withdraw cash in exceptional circumstances then this can be applied for and granted on a temporary basis only.
- 6.2. If a cash withdrawal has been granted, the cardholder must obtain receipts for any items/services purchased with the cash and provide a breakdown on the online portal on how the cash was spent.
- 6.3. Any unspent cash must be returned to the University and paid into the Cash Office (in sterling).
- 6.4. Cash withdrawn and spent which is not supported by a receipt must be repaid to the University by the cardholder.

7. Cardholder Responsibilities

- 7.1. Cardholders must only use their cards in accordance with this policy.
- 7.2. Cardholders must obtain receipts for all card transactions, including contactless ones.
- 7.3. The Cardholder must code each transaction using the online portal within one month of making the purchase. The User Guide explains how to do this and what information must be provided. Failure to code transactions within two months will be deemed to be serious misuse as defined in Section 9 of this policy.
- 7.4. Receipts/invoices must be presented to the card approver so that they can check and verify transactions and raise queries if required during the approval process. Failure to retain/provide receipts will be deemed to be serious misuse as defined in Section 9 of this policy.
- 7.5. All receipts/invoices must be retained by the cardholder and stored electronically eg on a shared drive within the Department for audit purposes.
- 7.6. The Cardholder must not share their card and pin sentry device with other members of staff e.g. job-share colleagues. The card must only be used by the named cardholder as they are solely responsible for the security and usage of the card.
- 7.7. Where cardholders are purchasing on behalf of others, they must have written authority from the budget holder before purchasing and retain these for audit purposes.
- 7.8. Cardholders must not disclose their login details for the online portal, or other security information to others. Unauthorised disclosure may result in the withdrawal of the card and/or disciplinary action.

8. Approver Responsibilities

- 8.1. Approvers must ensure that cards for which they are the approver are only used in accordance with this policy.
- 8.2. Card approvers must check all receipts prior to approval of card transactions.
- 8.3. Card approvers must view and approve transactions in a timely fashion using the online portal. The User Guide explains how to do this and provides advice on when transactions may be approved or must be rejected.
- 8.4. If the approver does not deal with transactions for three consecutive months, the Finance Department will initially contact the approver. If this does not resolve the matter, the cardholder will be asked to nominate an alternative approver and complete a Change of Details form. If the cardholder cannot suggest an alternative approver, the purchase card will be withdrawn.

- 8.5. If card approvers see a transaction that should have been purchased through a preferred supplier, the transaction must still be processed (“approved” on the online portal so the account can be reconciled. If the cardholder has added a comment to justify why a preferred supplier was not used, the transaction may simply be “approved” as normal. If there is no justification from the cardholder, approvers should add the following comment before approving: “please note that a preferred supplier should have been used for this transaction - please be aware that this may constitute card misuse and may be investigated further”.
- 8.6. Card approvers must use their judgement when assessing whether or not any transactions might constitute misuse. If they are in any doubt, card approvers should contact pcard@york.ac.uk for advice. Where possible misuse has been identified, card approvers must follow Section 9 or 10 of this policy as appropriate.
- 8.7. Card approvers must not disclose their login details for the online portal or other security information to others.

9. Misuse of Purchase Cards and/or Online Spend Management Portal

- 9.1. If card approvers have any suspicions about serious card misuse, they must report the matter immediately to pcard@york.ac.uk.
- 9.2. Card/system misuse might range from a minor/technical non-compliance through to serious misuse. It is not the University’s intention to take action against cardholders/approvers for innocent mistakes and minor infringements such as short delays to coding/approving transactions or inadvertent card purchases from a preferred supplier/supplier on YEP, though minor/technical non-compliances must be reported to pcard@york.ac.uk. **However more serious misuse may result in the card being withdrawn, repayment of monies and/or disciplinary action.**
- 9.3. Examples of serious misuse include but are not limited to:
- Repeated minor/technical non-compliance with this policy
 - Unnecessary/inappropriate expenditure as defined in Sections 2 and 5 of this policy
 - Sharing/divulging system PINs, passwords or log-in details
 - Failure to return unspent cash withdrawn on a card
 - Failure to retain/provide receipts
 - Failure to code transactions/significant delays in coding transactions
 - Failure to approve transactions in a timely manner and with due diligence
 - Fraudulent misuse/suspected fraud - see Section 10

10. Fraudulent Use

- 10.1. If any member of staff suspects fraudulent use of a Purchase Card, they must follow the University’s Fraud Response Plan on the Finance [website](#).

- 10.2. In addition if the suspected fraud is external to the University, the Cardholder must contact the card issuer immediately using the telephone number on the back of their Purchase Card.

11. Lost or Stolen Cards

- 11.1. The cardholder must contact the card issuer immediately using the telephone number on the back of their Purchase Card.

12. Changes to Cardholder Circumstances

- 12.1. If a cardholder moves department or role, they must email pcard@york.ac.uk so that their account details can be updated. The card may be withdrawn if the eligibility of the cardholder changes as a result. The Head of Department must reaffirm the continuing need for the card.

- 12.2. If the cardholder leaves the University, they must cut up their card and return it to Accounts Payable with a covering note prior to leaving.

13. Useful Web Pages and Related Policies

Purchase Card procedures, guidance and forms	https://www.york.ac.uk/staff/finance/goods-services-equipment/university-purchase-card/
Travel & Expenses Policy	https://www.york.ac.uk/staff/finance/goods-services-equipment/expenses/travel-expenses-policy/
Preferred Suppliers	https://www.york.ac.uk/staff/finance/goods-services-equipment/preferred-suppliers-contracts-agreements/
How to book travel (includes cash advances)	https://www.york.ac.uk/staff/travel/business/
Buying goods and services including Purchase cards	https://www.york.ac.uk/staff/finance/goods-services-equipment/
Financial Regulations and Fraud Response Plan	https://www.york.ac.uk/staff/finance/regulations-and-policies/

14. Policy Document Information

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Document Author	Rob Hunt
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15. Revision History

V.	Date	Author	Description of Change	Status
1.0	30 September 2019	Rob Hunt	Initial draft	Draft
1.1	7 November 2019	Rob Hunt	Final Draft for UEB	Draft
1.2	10 December 2019	Rob Hunt	Refinements specified by UEB and signed off 14th January 2020	Agreed

16. Review Process

Review cycle	Annual
Next due	November 2020
Oversight	Finance Director
Approving Body	Minor changes: Finance Director Significant changes: University Executive Board
Sign off steps	Director of Finance->Operations Group-> University Executive Board