

Department of Higher Education and Training
Recommended
Garage Card Policy for Public TVET Colleges





Department of Higher Education and Training
Technical and Vocational Education and Training Colleges
Recommended Garage and Credit Card Policy

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AMENDMENT AND APPROVAL RECORD

| Amendment No. | Amendment description | Originator | Approved By | Date |
|---------------|-----------------------|------------|-------------|------|
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|---|--|---|
| Name of TVETC: <u>Nkangala</u> | | |
| Garage | Card | Policy |
| Department: Finance Responsibility : Accounting Officer | | |
|  Prepared and submitted by the Accounting Officer to Council Date: <u>05/12/2016</u> |  Adopted by Council (Signed by Chairperson obo Council) Date: <u>09/02/2016</u> | Implementation Date: <u>01/01/2016</u> |

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1. Legislative framework and best practice regulations

Key principles contained in the following legislation and best practices were applied during the development of this policy:

- (a) CET Act No.16 of 2006, as amended (the "Act") (formerly the FET Colleges Act);
- (b) Public Finance Management Act, 1999 (Act No 1 of 1999, as amended by Act 29 of 1999) (PFMA);
- (c) National Treasury Regulations, March 2005;
- (d) National Treasury Instruction 01 of 2013/2014 (Cost containment measures); and
- (e) Government Gazette No. 37042, dated 15 November 2013, "Public Finance Management Act, 1999: Amendment to Treasury Regulations".

2. Purpose

The purpose of this policy is to state the conditions under which a Credit card or Garage card may be issued by the College and the control over the issue and utilisation thereof.

3. Definitions, acronyms and abbreviations

For the purpose of this policy, unless the context indicates otherwise, the following definitions, acronyms and abbreviations are set out for the terms indicated:

- 3.1 **"Accounting Officer"** – is the College Principal.
- 3.2 **"Act"** – is the CET Act No.16 of 2006, as amended.
- 3.3 **"College"** – is a Public TVET College (formerly known as a FET College).
- 3.4 **"Credit Card"** - is a card issued by the College to persons approved pursuant to this policy for the purchase of goods or services on behalf of the College.
- 3.5 **"Department"; "DHET"** – is the Department of Higher Education and Training.
- 3.6 **"DPF"** – is Deputy Principal: Finance.
- 3.7 **"Garage card"** – is a card issued by the College for the purchase of fuel for vehicles owned by the College.
- 3.8 **"Travel Lodged Card"** – is a credit card issued in the name of the College and lodged with the travel agency who uses the card to pay for authorized travel and accommodation related expenses.

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- 3.9 **“Minister”** – is the Minister for Higher Education and Training.
- 3.10 **“TVET”** – is Technical and Vocational Education and Training.
- 3.11 **“VCET”** – is Vocational and Continuing Education and Training.

4. Restriction on the issue of Credit cards

- 4.1 The College may not, subject to paragraph 4.3, obtain a Credit card which is in the name of an official or employee of the College.
- 4.2 The Accounting Officer must cancel each Credit card issued in the name of an official or employee of the College.
- 4.3 The College may retain or obtain:
- (a) a Fleet management, petrol or garage card for College vehicles which is linked to a vehicle and not to an individual.
 - (b) a Credit card lodged with a travel agency for purposes of payment for travel and accommodation related expenses;

5. Internal control over Fleet management/Petrol/Garage cards

- 5.1 Issue of Garage cards.
- (a) The bank currently used by the College must be utilized for the issuing of Garage cards.
 - (b) Other service providers may not supply Garage cards as this would make it difficult for the College to monitor fuel costs and prevent unauthorized purchases.
 - (c) The Garage card must have the vehicle registration number on the card.
- 5.2 The Garage card cannot be used to purchase fuel for any vehicle other than an assigned College vehicle whose registration appears on the garage card.
- 5.3 Approval of Garage card expenditure:
- (a) All expenditure incurred on the Garage card shall be supported by relevant petrol slips.
 - (b) All expenditure incurred on the Garage card shall be reviewed and authorised monthly by the DPF after signoff by the Asset Manager.
 - (c) The Asset Manager should review the monthly statement from the bank and
 - i. monitor the monthly petrol usage on each vehicle to identify potential abuse of College vehicles.
 - ii. Check usage to the trip authorization form
 - iii. Sign off the statement to confirm that all expenditure is in line with College policies.
 - iv. Forward the Statement to the Finance department for payment.

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- 5.4 Where payment is affected by debit order, the finance department must, within seven days after month end, reconcile the payment to the Garage card statement received from the bank.
- 5.5 Where the payment is effected by means of Electronic Funds Transfer, the finance department must ensure that the full outstanding balance on the Garage Card statement is paid within 30 days.
- 5.6 Management of Garage card

The following rules shall apply to cards issued:

- (a) Expired cards must be destroyed by cutting the card and returning it to the Asset Manager.
- (b) The card is not for any use other than that outlined in this policy document.
- (c) If a card is lost it shall be reported immediately to the Asset Manager who will report it to the relevant bank immediately, requesting cancellation. The loss shall also be reported to the DPF.
- (d) It shall not be permitted to be used by any person other than the person assigned to use the College vehicle.

6. Internal control over Travel Lodged card

- 6.1 Issue of Travel Lodged cards.
- (a) The bank currently used by the College must be utilized for the issuing of the travel lodged card.
 - (b) The card will be lodged with the authorized travel agent for the payment of authorised travel costs.
- 6.2 The Travel lodged card cannot be used for any expenditure other than the approved travel and accommodation related expenses.
- 6.3 Approval of Travel lodged card expenditure:
- (a) On a monthly basis, the travel agency must submit all approved travel vouchers to the College to enable the college to verify the travel costs billed to the card.
 - (b) All expenditure incurred on the Travel lodged card shall be reviewed and authorised monthly by the DPF.
- 6.4 Where payment is affected by debit order, the finance department must, within seven days after month end, reconcile the payment to the Credit card statement received from the bank.

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- 6.5 Where the payment is effected by means of Electronic Funds Transfer, the finance department must ensure that the full outstanding balance on the Travel Lodged Card statement is paid within 30 days.
- 6.6 Controls over the utilisation of corporate air miles:
- (a) Corporate air miles accumulated through loyalty programmes must be used for College expenditure purposes.
 - (b) The approval of the Accounting Officer must be obtained before the air miles can be used.
 - (c) A record, under the control of the Deputy Principal Finance, should be maintained to keep track of the air miles, indicating the air miles available at the beginning of the month, air miles accumulated during the month, air miles utilised, air miles available at the end of the month and date of expiry of air miles.

7. Adoption of policy

This policy is effective from the date on which it is adopted by the Council.

8. Availability of garage card policy

A copy of this policy and other relevant documentation should be made available on the College website.

9. Annual review of policy


This policy will be subject to an annual review by College management to ensure its relevance. Colleges should forward any inputs and recommendations to the VCET Branch of the Department for possible consideration during the annual review process.

Any recommended changes agreed to by the Department to the Garage and Credit Card Policy should be presented to the College Council for adoption.

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CHAIRPERSON OF COUNCIL
MR MI TIBANE



ACTING PRINCIPAL
MR C MAIMELA

09/02/2016
DATE

05/12/2015
DATE