

# Sensitive Expenditure and Gifts Policy Purchase Card and Expense Reimbursement Guidance

Version 2, July 2025  
Owner: GM Business Services  
Custodian: Chief Financial Officer

## YOUR LICENSE TO ACT

*maintaining our values through our actions*



### Kaupapa | Purpose

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- The purpose of this Sensitive Expenditure and Gifts Policy Purchase Card and Expense Reimbursement Guidance is to outline what you need to know and do, as well as what our different responsibilities are so you can make decisions and conduct tasks effectively.
- The Sensitive Expenditure and Gifts Policy includes all wording from this policy guidance document, forming an essential part of the policy to ensure clear interpretation and application.



### He Aha Tēnei i Hira Ai? | Why Is This Important?

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- There is heightened public sensitivity when public sector employees are perceived to benefit – or do benefit – personally from sensitive expenditure incurred during the conduct of a public organisation's business. As a crown entity, it is important that the Institute of Environmental Science and Research (PHF Science) has effective controls in place to prevent, detect, and respond to breaches of policy.



### Te Tono | Application

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*We always do the right thing*

- PHF Science requires all its employees and contractors to comply with this guidance to ensure adherence to PHF Science's policies, including the Sensitive Expenditure and Gifts Policy, and Procurement and Contract Management Policy.
- Compliance with this guidance will be regularly monitored by the Team Leader Financial Services who will report it to the monthly Breach, Exemption, Conflicts of Interest, Sensitive Expenditure (BECSE) Advisory Group review meeting. Any known or suspected instances of significant non-compliance will be reported to the GM Business Services for full investigation, and may be escalated to the Chief Executive and/or the PHF Science Board's Risk and Assurance Committee.
- Non-compliance with, or breaches of this guidance may result in cancellation and removal of the Purchase Card, and disciplinary action up to and including dismissal. Employees should be aware that breaches of this guidance may also attract civil and criminal legal penalties.



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## Te Arataki me te Tikanga | Guidance and Procedure

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**Expense Reimbursement – Non-Purchase Card Transactions**

**20. Expense Reimbursement**

- Reimbursement will only be made for expenses incurred in the course of undertaking PHF Science business.
  - PHF Science will reimburse a staff member for actual and reasonable expenses incurred on the PHF Science’s behalf by that staff member.
  - Any expenses reimbursed must relate directly to a PHF Science business purpose.
- Reimbursement will not be made for expenses that are covered by other PHF Science-approved purchasing contracts and processes.
- PHF Science staff should not incur or claim expense for the following items, as they are managed through Facilities Management/Property, Information Management, Procurement or Finance processes:
  - personal purchases;
  - purchase of fixed assets;

- purchase of software, software updates, licences, subscriptions, software-as-a-service or other low-value, one-off, information management software purchases;
  - rentals or leases of land or buildings;
  - purchase of goods and services already covered by an existing PHF Science purchasing contract (details of which can be obtained from Procurement), including consumables;
  - business travel booked through PHF Science’s preferred supplier, except for accommodation booked by the preferred supplier for payment by the traveller upon check-out;
  - building maintenance and construction;
  - fines;
  - purchase of alcoholic beverages without a meal;
  - more than one drink with a meal; or
  - professional and consulting fees.
- One-up manager or above approval of expenses reimbursement:
    - PHF Science staff members are not permitted to approve their own expenditure reimbursement.
    - All expense approvals must be by a one-up manager or above.
  - Appendix 1 contains further details around the process for expense claim reimbursement for the business-related meal expenses.
  - If a staff member is uncertain whether an intended purchase falls within the scope of this policy, they should first contact their manager. If further clarification is required, the Procurement Manager or the Financial Service Team Leader should be contacted.
  - Where specific approval is provided for a purchase, this must should be attached to the Workday expense transaction.

## 21. Expense Expenditure Documentation

- Employees must provide original invoices or receipts for expenses incurred in New Zealand or overseas, regardless of value.
- The requirement for taxable supply information (‘full tax invoice/receipt’) or other documentation depends on the value and type of supply, but PHF Science requires documentation in all cases.
- Credit card vouchers and EFTPOS receipts are not acceptable unless they contain all details as specified below.
- If you request a supplier to provide an invoice or other taxable supply information for supplies over \$200, it must be provided within 28 days of the request.

### For supplies less than \$200 (excluding GST)

- PHF Science requires a receipt or invoice with record of date, description, cost and supplier.

### For supplies more than \$200 (excluding GST)

- If full taxable supply information (as specified for supplies over \$1,000 below) is not available, a simplified tax invoice is acceptable, which must clearly show:
  - the name and GST number of the supplier;
  - the date;

- a description of the goods and/or services supplied;
- the total amount payable for the supply; and
- a statement that this total amount includes GST, consisting of either
  - the GST-exclusive amount, GST amount and the GST-inclusive amount, or
  - the GST-inclusive amount, with a statement that GST is included charged at the standard rate for all the goods and services listed.

#### For supplies more than \$1,000 (excluding GST)

- Each of the requirements above for supplies more than \$200 must be provided, and the taxable supply information must also include:
  - the buyer's name, and
  - one or more of the following –
    - address (physical or postal),
    - contact phone number,
    - email address,
    - trading name if different to the buyer's name, and/or
    - New Zealand Business Number or website URL address.

## 22. Expense Reimbursement Processing

- It is important that expense claims are submitted within a month of transaction date and approved on a timely basis as this enables Finance to correctly record the transactions, and ensure more accurate reporting and budget monitoring.
- Approval of expenses shall be based on the full contracted cost and not be split across multiple transactions.
- The approving manager is required to review all transactions and, as appropriate, approve them, ensuring that the items are coded correctly and are appropriate given the requirements of this and other policies. All transactions must be approved by the manager who holds the delegated authority for the cost centre or project code.
- Finance shall monitor compliance with this guidance monthly and shall report breaches to the relevant manager in the first instance.
- Expense reimbursements are paid directly in to individuals' bank accounts weekly.



## Ārahitanga | Guidance

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- No code or policy can cover every situation or detail every behaviour expected of us, so we need to be guided by our values, policies, Code of Conduct, and the law.
- A key value in our Code of Conduct is mahi pono (*we do the right thing*) which states that we uphold integrity and independence no matter what. If you are unsure if your actions or behaviours are consistent with what is expected of you ask yourself the following:
  - Does this feel like the right thing to do?
  - Does it align with PHF Science's values?
  - Would others think it was appropriate?
  - Would it withstand public scrutiny?

- Your immediate manager, General Manager or the Chief Financial Officer can give advice and support if you would like more guidance.



## Ngā Mahi me Ngā Kawenga | Roles and Responsibilities

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**Individuals** preparing a Purchase Card or expense reimbursement must ensure that:

- all transactions entered into are appropriate;
- the invoice for each transaction meets the requirements in Sections 11 *Purchase Card Expenditure Documentation* and 21 *Expense Expenditure Documentation*, and is provided with the appropriate claim completed in the expense management system within Workday;
- the project or cost centre provided and expense type is complete and accurate for each transaction;
- the invoice faithfully reflects the details of the transaction (pricing, quantity, currency);
- all queries on purchases from their manager and Finance are responded to on a timely basis;
- Purchase Card or expense reimbursement claims are submitted via Workday within deadlines stipulated in this guidance;
- any lost or stolen Purchase Card is reported to the bank and Finance as soon as possible;
- disputed transactions are advised to their manager and the Financial Services Team Leader immediately, and fraudulent transactions advised to the bank, their manager and the Financial Services Team Leader immediately; and
- their Purchase Card is stored in a secure place when not in use.

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## Whakaaetanga o te Kaupapa Here | Policy Guidance Approval

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This policy replaces the Sensitive Expenditure Purchase Card and Expense Reimbursement Guidance approved on 18 November 2023.

Policy owned by:	Approved by:	Date approved:	Due for revision by:
GM Business Services	Executive Leadership Team	1 July 2025	1 July 2027

***Withheld under  
Section 9(2)(a) of the  
Official Information Act 1982***

Signed:



Mark Ottaway, GM Business Services Manager

Date:

1 July 2025



## Whakapā | Contact

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- If you have any questions, please contact PHF Science's GM Business Services or Chief Financial Officer.



## ĀpitiHanga | Appendix 1: Expense Claim Reimbursement

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### Meal Expenses

- Meals must have a clear business purpose and be moderately priced per the Travel Policy Guidance.
- Tipping:
  - Tips paid within New Zealand and Australia may not be claimed and will not be reimbursed.
  - Any tips considered excessive will not be reimbursed. As a general rule, you should not tip more than you would on a personal trip.

### Business Meal Expenses

- Business meals are defined as those taken with clients, prospects or associates during which a specific business discussion takes place.
- Employees will be reimbursed for business meal expenses according to actual and reasonable cost.
- When completing the expense reimbursement claim in Workday, details of the attendees at the meal, the businesses they represent and the positions they hold (if not a PHF Science employee), and the reason for the entertainment are required in order to meet tax reporting requirements.

### Personal Meal Expenses

- Personal meals are defined as meal expenses incurred by you when dining during an out-of-town business trip.
- You will be reimbursed for personal meal expenses according to actual and reasonable cost and subject to the Travel Policy.

### Business Meals Taken With Other Employees

- Employees will be reimbursed for business-related meals taken with other employees when:
  - a business-related (non PHF Science) person is present; or
  - at least one PHF Science employee is from out-of-town; or
  - when authorised by a budget holder with the required delegated authority for testimonial, reward, or recognition; or
  - for an appropriate business purpose.
- When completing the expense reimbursement claim in Workday, details of the attendees at the meal, the businesses they represent and the positions they hold (if not a PHF Science employee), and the reason for the entertainment are required in order to meet tax reporting requirements.

### Entertaining Clients

- Entertainment expenses include meals taken with clients and events such as theatre and sporting events, whereby a business discussion takes place during, immediately before, or immediately after the event.
- A staff member will be reimbursed for entertaining clients:
  - if the person entertained has a potential or actual business relationship with PHF Science; or

- if the expenditure directly precedes, includes or follows a business discussion that would benefit PHF Science.
- When completing the expense reimbursement claim in Workday, details of the attendees at the meal, the businesses they represent and the positions they hold (if not a PHF Science employee), and the reason for the entertainment are required in order to meet tax reporting requirements.

### Lab Shoe Allowance

- Individuals that enter laboratory areas frequently are allowed to claim up to \$240 for comfortable leather shoes within a 24-month period.
- For further clarification please refer to the Health and Safety Lab Requirements for shoes on Ātea.

### Personal Mileage Claims

- Mileage will be reimbursed to a maximum value of \$150.00.
- Mileage calculations should be made before traveling, because if the claim will be more than \$150.00, a rental car should be booked through PHF Science's travel management company portal available from the s page on Ātea.
- If mileage will be claimed for a social event like an employment anniversary, the mileage claim must be pre-approved.
- For further clarification please refer to the Travel Policy.

### Staff Social Occasions

- Meal costs for social occasions, such as employee birthdays, employment anniversaries, staff leaving/retirement, project completion, and year-end functions will not be reimbursed, unless prior approval is granted from a General Manager or the Chief Executive.
- Please refer to the Sensitive Expenditure and Gifts Policy Guidance.

### Note

- All expense claims must clearly state the business purpose for which the expense was incurred.
- Invoices and supporting documentation must be provided for all claims. No claim shall be paid out with the required documentation.
- Expense claims must be submitted within one month of the transaction date.



## ĀpitiHanga | Appendix 2: Definitions

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### Capital Expenditure (Capex)

- Capex consists of funds used to purchase, upgrade, improve, or extend the life of long-term assets. Long-term assets are typically property, infrastructure, or equipment with a useful life of more than one year.
- Capex also includes spending on intangible assets such as software.
- Because the benefit from capital spending accrue over several years, the cost of capex is spread over the asset's expected useful life.

### Consumables

- Items which are used up or depleted during a process; for example, printer toner, chemicals, stationery, gloves.

### Contractor

- A contractor is an individual who is either hired directly by PHF Science or via a third party to perform duties that would normally be provided by an existing staff member, either in their normal day-to-day duties, or on a project.
- A contractor is under the direct supervision of PHF Science. PHF Science is responsible for managing any risks associated with the contractor's work, including timeliness of delivery, quality assurance, and wider performance management.

### Consultant

- A consultant is company or an individual provisioning service that is linked to a defined outcome, typically with remuneration linked to agreed milestones, or deliverables, and where supervision of the individuals is the function and responsibility of the consultancy organisation (or shared with PHF Science).
- The consultant and/or the company from which they come are ultimately responsible for ensuring quality, timely delivery, and performance management of individuals.

### Duplicate Invoice

- A supplier-issued copy of an invoice, which may have been lost, for example.
- The duplicate invoice does not need to be marked up as a copy.

### Manager

- An individual's immediate manager or higher-level manager who has the appropriate delegated authority to approve the level of expenditure incurred by the individual.