Equipment Leasing Procedure

Section 1 - Purpose

(1) This Procedure specifies the items of equipment acquired by the University of Newcastle (University) that must be financed via a leasing arrangement, and outlines the provisions for leasing arrangements.

(2) This Procedure should be read in conjunction with the Procurement Policy.

Section 2 - Audience

(3) This Procedure should be read and understood by all staff who wish to obtain, use or administer leased equipment.

Section 3 - Scope

(4) This Procedure applies to items of equipment that are obtained via a leasing arrangement on behalf of the University.

(5) This Procedure does not apply to:

a. equipment acquired by staff via a novated lease through a salary sacrifice arrangement (Please see Salary Packaging Policy); or
b. leasing arrangements entered into by a University controlled entity; or
c. building or tenancy leasing arrangements.

Section 4 - Definitions

(6) In the context of this procedure:

a. “University fleet vehicles” means vehicles, either owned or leased by the University, that are used for official University business;
b. “lease”, “leasing arrangement” or “lease financing” means a financial arrangement between a leasing provider and the University that:
    i. requires the University to make periodical payments;
    ii. allows the University to use the leased item; and
    iii. assigns technical ownership of the item to the leasing provider for the duration of the financial arrangement.

Section 5 - General Requirements

Leasing Decision

(7) The decision to commit the University to a leasing arrangement must be made in consultation between the delegate in the business unit and the Chief Financial Officer (CFO). In the instance of a vehicle lease, approval by the CFO is required (see Delegations Register).

(8) The decision to use leasing as a financing mechanism does not diminish the responsibility of University officers to exercise due diligence and care in relation to their day to day purchasing decisions.

Equipment to be Leased

(9) The following items of equipment must be leased through existing supply arrangements:

Equipment Type	Equipment Items	Standard Lease Term
IT Equipment (see also Clause 10 below)	Desktop Computers Laptop computers, and associated bundled peripherals.	48 months
University Fleet Vehicles	Standard passenger vehicles, as listed on the fleet vehicle catalogue.	60 months

(10) IT equipment purchased from grant funding must not be leased.

(11) For University Fleet Vehicles funded from competitive (external) research grants, and where the conditions of the grant do not allow for the allocation of lease costs, the conditions of the grant that require the outright purchase of items will supersede this procedure.

(12) Financial Services are responsible for assessing the purchase of the above items of equipment for projects where the duration is expected to be less than the standard lease term and determining which acquisition method will deliver the best value for money for the University.

Other Equipment

(13) A number of potential purchasing options may be considered when purchasing other equipment not listed in Clause 9, which may include lease financing.

(14) The most appropriate financing mechanism for the following equipment items must be assessed on a case by case basis and a decision made by Financial Services on which financial option will deliver the best value for money for the University:

a. non-standard IT equipment (including servers and specialised high end computer equipment);
b. non-IT related equipment (including research related and specialised equipment);
c. non-standard University fleet vehicles.

Leasing Provider

(15) Where the University currently maintains a Master Leasing Facility for a class of items, this facility must be used. All discussions with the provider regarding an existing lease facility should be directed through Financial Services in the first instance.

Return of Equipment

(16) Colleges and Divisions must ensure that all leased items are ready and available for return to the leasing provider prior to the lease expiry date, in line with directions provided by Financial Services.

(17) Leased equipment is not owned by the University and, therefore, must not be transferred outside of the

University, sold, destroyed, or discarded.

Responsibilities

(18) Colleges and Divisions who are procuring equipment via a leasing arrangement are responsible for:

a. adequate record management pertaining to the leasing arrangement and the leased item, in accordance with the Records Governance Policy;
b. complying with the terms and conditions of the leasing arrangement;
c. consulting with Financial Services regarding the lease, as required by this Procedure;
d. maintaining a register of all leased items; and
e. complying with all other requirements of this Procedure and any other related or associated policy or procedure.

Section 6 - IT Equipment

Care of IT Equipment and Asset Management

(19) All leased IT equipment must be maintained in good working order and not modified without the permission of Digital Technology Solutions and Financial Services. All leased IT equipment will be asset managed through the leasing provider's online system.

(20) Colleges and Divisions must ensure that Financial Services are notified prior to any leased IT equipment being relocated or otherwise transferred within the University.

(21) The leasing payments for all IT equipment leases must be met from the budget of the assigned business unit.

Section 7 - University Fleet Vehicles

Care of Vehicles and Asset Management

(22) All leased University fleet vehicles must be maintained as per the manufacturer's recommendations and not modified without the permission of Financial Services. All leased University fleet vehicles will be asset managed through the dedicated Fleet Management portal.

(23) Colleges and Divisions must ensure that Financial Services are notified prior to any leased University fleet vehicle being relocated or otherwise transferred within the University.

(24) Each leased University fleet vehicle must be assigned to a business unit and a nominated vehicle custodian who will be responsible for the day to day management of the vehicle.

(25) All operating costs for leased University fleet vehicles must be met from the budget of the assigned business unit. This includes, but is not limited to:

a. Fringe Benefits Tax;
b. servicing and maintenance costs;
c. fuel;
d. registration costs;
e. insurance excess;
f. tollway charges;

g. excess kilometres; and
h. end of lease costs.

(26) The overall administration of statutory obligations relating to leased University fleet vehicles is the responsibility of Financial Services.

(27) University fleet vehicles must be leased as new vehicles unless it can be identified that another business unit has a University fleet vehicle that is surplus to their needs. In this circumstance the University may assign the surplus vehicle to a business unit until the existing lease has expired.

(28) Please also see University Fleet Vehicle Use Procedure.

Status and Details

Status	Current
Effective Date	9th December 2025
Review Date	9th December 2028
Approval Authority	Chief Financial Officer
Approval Date	8th December 2025
Expiry Date	Not Applicable
Responsible Executive	Michael Di Rienzo Chief Financial Officer
Enquiries Contact	Michael Di Rienzo Chief Financial Officer Financial Services

Glossary Terms and Definitions

"University" - The University of Newcastle, a body corporate established under sections 4 and 5 of the University of Newcastle Act 1989.

"Controlled entity" - Has the same meaning as in section 16A of the University of Newcastle Act 1989.

"Officer" - Has the meaning given in the Corporations Act 2001 (Cth), or any replacing legislation.

"Research" - As defined in the Australian Code for the Responsible Conduct of Research, or any replacing Code or document.

"Staff" - Means a person who was at the relevant time employed by the University and includes professional and academic staff of the University, by contract or ongoing, as well as conjoint staff but does not include visitors to the University.

"University business" - Work that the University has directed to be undertaken which is required, essential, and beneficial for the functions of the University. This includes, but is not limited to, attending meetings, conferences or fieldwork, but does not include activity that is not location specific, e.g. email management, writing papers. University business may be undertaken by staff and non-staff.

"College" - An organisational unit established within the University by the Council.

"Delegate" - (noun) refers to a person occupying a position that has been granted or sub-delegated a delegation of authority, or a committee or body that has been granted or sub-delegated a delegation of authority.