

Credit Card Policy

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Adopted by	Council
Review due	December 2024
Responsible officer	Manager Procurement
Records reference	9197885

1. Purpose

The purpose of providing corporate credit cards is to provide a convenient and efficient means of conducting minor purchasing transactions whilst adhering to acceptable internal control requirements.

The main objectives of providing corporate credit cards are:

- to streamline the payments process for low value transactions;
- to reduce internal costs of internal purchasing, receipting and payment systems; and
- to improve reporting quality of low dollar value transactions.

2. Application And Scope

This Policy applies to all Council employees and Councillors issued with a Corporate Credit Card ("Card").

This Policy should be considered part of and should be read in conjunction with the Council Procurement Policy, Procurement Procedures and the Fraud and Corruption Control Policy.

3. General Provisions

The Cards have been introduced with the aim of improving Council's purchasing and payment processes in terms of cost, control, reporting, efficiency and effectiveness.

3.1. Card Administration

The Procurement Team administer the Card program.

The Card billing period runs to the 29th of each month with Card credit balances refreshed the next day.

All queries on transactions in monthly statements must be referred, in the first instance, by the Cardholder to the approved bank provider in a timely manner.

3.2. Card Issuance & Cancellation

The Card is issued and cancelled by the Procurement Team and at the discretion of the Chief Financial Officer (or the Chief Executive Officer if the relevant Cardholder is the Chief Financial Officer).

Applications for the issue of a Card are to be submitted to the Chief Financial Officer (or the Chief Executive Officer if the relevant Cardholder is the Chief Financial Officer) using the Corporate Credit Card Request Form.

The Business Unit Manager may nominate officers within each program area whose duties include elements of a purchasing nature and of a volume such that use of the Card will provide significant benefits to Council in line with the purpose outlined in the procedure.

The Procurement Team will arrange for Council's approved bank provider to provide a Card in the name of the nominated officer, subject to the provision of documents to satisfy the issuing bank's 100 points ID requirement.

The requesting officer must complete the Corporate Credit Card Declaration Form after undertaking Cardholder training and before being provided with or using the Card.

3.3. Card Limits

A monthly Card total transaction value limit is set according to the purchasing requirements of each Cardholder.

The default Card limit is **\$1000**.

A single Card transaction value limit is set according to the purchasing requirements of each Cardholder - the default limit is the Card limit.

The monthly Card total transaction value limits and single Card transaction value limit on the Card can be reviewed and approved from time to time by the Chief Financial Officer (or the Chief Executive Officer if the relevant Cardholder is the Chief Financial Officer) on the recommendation of the Business Unit Manager. The Request for Credit Limit Increase Form needs to be completed and provided to the Procurement Team.

3.4. Using the Card

Cardholders are in a position of trust with regards to the use of public funds. Expenditure for each Card will be reviewed on a regular basis for compliance with this Policy.

The holder of the Card can purchase goods or services via:

- mail transactions.
- telephone transactions.
- internet transactions.
- point of sale.

The Cardholder is solely responsible for their card, purchase transactions and completion of the monthly reconciliation document.

A Card may be used by Officers other than the Cardholder provided permission is granted by the Cardholder and the relevant purchase documentation is returned to the Cardholder. Officers given permission to use a Cardholder's card must only be given permission for specific purchases and not general use. Further, the terms of this Policy governing use of the Card apply to Officers granted permission by a Cardholder to use the Card, the same as if they were the Cardholder.

Officers are not permitted to use Cards for purchases that are not expressly permitted by the Cardholder. It is the Cardholders responsibility to ensure these instructions are provided to Officers they grant permission to use the Card.

Cards must not be used for any purchasing purpose other than detailed in this Policy, including purchases for personal reasons.

The Card Administrator will report any breach on the use of the Card to the Senior Integrity Officer and may suspend the Card whilst the breach is investigated. The Senior Integrity Officer will manage notifications to the relevant Business Unit Manager, and Executive as necessary.

3.5. Unauthorised or Improper Use

Unauthorised or improper use of a Card by any Cardholder, or Officer, will be regarded by Council as a breach of employment responsibilities, will result in withdrawal of usage of the Card and may result in disciplinary action.

Improper use of the Card may support a reasonable suspicion of corrupt conduct and referred to IBAC.

3.6. External Fraud & Security Concerns

To mitigate credit card fraud, it is important that steps are taken to minimise the risk.

When transacting via the Internet, the Cardholder must ensure that payment is only finalised via a secure web page, one that has a valid digital certificate. Look for the https at the beginning of the address bar and a locked padlock symbol in the browser.

The Cardholder must regularly check transactions online via the ECMS and if there are any purchases which cannot be accounted for report them to the approved bank provider immediately.

If the Card is lost, misplaced or stolen it is the responsibility of the Cardholder to immediately report the loss to the approved bank provider in the first instance and then notify the Card Administrator.

Damaged Cards should be returned to the Card Administrator for re-ordering and replacement.

Any Council Officer or Councillor who believes a Cardholder is using a Card to make unauthorised, excessive or unreasonable transactions must report the matter to the Senior Integrity Officer.

3.7. Limitations and Controls

The following limitations and controls apply to the use of the Card:

- must be used for official Council business only;
- must not be used to withdraw cash;
- must only be used for fuel purchases for Council vehicles where the fleet card provided is not available or accepted at the service station;
- must not be used to pay for any car cleaning services for Council vehicles. If exterior or interior cleaning is required, Council staff are to use the authorised Fleet Card issued to Council vehicles in accordance with the Motor Vehicle Policy;
- where the Card is to be used to register for training courses/conferences, appropriate authority from the relevant Business Unit Manager or Executive must be obtained prior to the use of the Card. The authority must be recorded in writing and the relevant training approval form must be attached in ECMS with the tax invoice;
- in relation to food, beverages or entertainment for Council purposes, all Cardholders must adhere to Council's Hospitality and Entertainment Policy (Staff), including but not limited to seeking the appropriate approvals prior to purchasing;
- alcohol is not permitted to be charged to a Card in relation to Cardholder travel, meals or hosting business associates; and when staff are hosting business associates or team members approval must be obtained from their Business Unit Manager or Executive prior to any such expenditure being undertaken using a Card;
- must not be used to pay tips and/or gratuities;
- must not be used to pay for purchases of stationery and/or uniforms for which special prices are negotiated through Council's purchasing arrangements;
- where appropriate, the Card Administrator may suspend all transactions from a specific supplier and or supplier types, for example, all restaurant transactions may be barred;
- under no circumstance shall the Card be used for personal gain; this includes but is not limited to;
 - cardholders must not use their own reward card (for example, but not limited to, Flybuys, Everyday Rewards cards) to earn points whilst using a Council Card; and
 - cardholders must not use any "Promotional Offers" that provide a personal financial advantage resulting from the Council's Card use, for example, but not limited to, discount fuel vouchers, two for the price of one liquor offer;
- all Cardholder transactions and supporting documentation will be open to regular review by the Procurement Team to ensure accurate expenditure to enable the preparation of Council's annual accounts, Fringe Benefits Tax (FBT) reporting and

to ensure compliance with relevant policies and procedures; and

- all Cardholder transactions and supporting documentation will be open to annual review by the Senior Integrity Officer or their nominated representative.

3.8. Tax Invoices and Transaction Receipts

Critical to the effective management of the Cards is that all claims are accompanied by adequate supporting documentation. A tax invoice relating to each transaction for the particular period must be uploaded as part of the transaction reconciliation process.

Council's nominated credit card mobile application can be used to upload tax invoices by taking a photo of the tax invoice or using an existing photo of the tax invoice or applicable document on your mobile device. Alternatively, tax invoices are to be scanned and uploaded to the ECMS.

A Statutory Declaration must be completed and submitted using the Missing Tax Invoice Declaration Form where a tax invoice has been misplaced.

Tax invoices that appear to be falsified, amended or manipulated in any way will be referred to the Senior Integrity Officer for further investigation.

Submission of a falsified and/or amended tax invoice purporting to support the legitimacy of a Card transaction may support a reasonable suspicion of corrupt conduct and be referred to IBAC. Disciplinary action may also be taken.

3.9. Monthly Transaction Reconciliation & Reporting Requirements

All transactions must be reconciled within 5 working days after month end.

Late submission of expenses is not acceptable unless prior notice has been provided.

Where transactions are overdue:

- transactions over 30 days old will be reported to the Cardholder and their Manager.
- where transactions are over 45 days old, the card will be suspended (Executives will be advised of the suspension). If these overdue transactions are not reconciled within 7 days of the Card being suspended, the Card will be cancelled.

Card transactions must be reconciled using the appropriate General Ledger number either via ECMS or the nominated credit card mobile application.

All transaction entries must detail the items purchased and include reasons for the purchase.

3.10. Card Transaction Authorisation

All monthly statements of reconciled transactions by the Cardholder are to be approved online via the ECMS by the Cardholder's relevant Authorising Officer.

Where the Chief Executive Officer holds a Card, each reconciled statement of transactions must be authorised by the Mayor.

Where the Mayor or Councillors hold a Card, each reconciled statement of transactions must be authorised by the Chief Executive Officer.

3.11. Responsibilities

3.11.1. Cardholders

The individual Cardholder is responsible for:

- the security and use of their Card in line with this Policy, any written instructions and training provided upon issue;
- use of the Card in accordance with the conditions of use issued by the approved bank provider and this Policy;
- safe keeping of the Card;
- reporting a lost or stolen Card to their respective manager and the Procurement Team as soon as possible after the loss or theft is detected;
- ensuring the Card is only used within the approved limits attributed to it and within the approved budget;
- purchasing and obtaining quotes in line with the Procurement Policy;
- ensuring the Card is not used for personal expenses, which are not acceptable under any circumstance;
- ensuring meals and accommodation expenditure are in accordance with the Hospitality and Entertainment Policy (Staff);
- conducting a degree of due diligence in purchasing decisions and making purchases from legitimate suppliers;
- returning the Card to the Cardholder's manager should the Cardholder leave employment of Council or if the Cardholder is on leave for an extended period (greater than 3 months). In the latter case, the Card may be temporarily suspended from use;
- ensuring that in the event of resignation or extended leave a Cardholder surrenders their Card to their manager and reconciles all transactions prior to ceasing employment or commencing the extended leave period;
- providing a statutory declaration if a tax invoice is lost or unavailable; and
- reporting any disputed transactions to the approved bank provider immediately to allow for the prompt resolution of any errors or misuse and notifying their manager and the Procurement Team.

3.11.2. Managers, Executives and Chief Executive Officer

Managers, Executive Members and Chief Executive Officer are responsible for:

- the initial approval of applications for purchase cards by employees within their area of responsibility;
- ensuring that each employee is made aware of and understands their individual responsibility associated with holding a Card;
- the prompt receipt, costing and authorisation of transactions for each Cardholder within their area of responsibility;
- ensuring all issues pertaining to disputed transactions are brought to the attention of the Procurement Team;
- raising any suspected unauthorised and/or improper use with the Senior Integrity Officer;

3.11.3. Procurement Team

The Procurement Team is responsible for:

- ensuring the credit card register within the approved bank provider is maintained and accurate at all times;
- safe custody of cards surrendered by employees during extended periods of leave;
- all reporting as required by the business;
- annual review of all credit cards and limits to ensure appropriate business need;
- maintaining a register of credit cards which includes the following details:
 - card with the issued name;
 - date of issue;
 - card expiry;
 - delegation limit;
 - card limit; and
 - transaction limit;
- raising any suspected unauthorised and/or improper Card use with the Senior Integrity Officer; and
- raising any concerns of excessive expenditure with the Senior Integrity Officer and the relevant Business Unit Manager.

3.11.4. Audit Committee

The Audit Committee is responsible for:

- review of the Corporate Credit Card Policy as required; and
- review of CEO and Mayor credit card usage.

4. Definitions

In this Policy, the following words have the following meaning:

Term	Definition
The Act	means the <i>Local Government Act 2020</i>
Authorising Officer	means an Officer who has been given a financial delegation to authorise the purchase of goods and services.
Business Unit Manager	is a senior member of staff who directly reports to an Executive.
Card	refers to the Corporate Credit Card issued to a Council Officer for the payment of suppliers.
Card Administrator	is the Procurement Team responsible for the administration of the Card program and supporting the electronic card management system.
Cardholder	is the Council Officer issued with a Card.
Council Officer and/or Officer	has the same meaning as 'member of Council staff' section 3(1) of the <i>Local Government Act 2020</i> . Officer does not include independent contractors or volunteers.
Councillor	means an elected representative of Council.
Documentation	means document/s, which provide all relevant details to enable a payment to be made. For example, a tax invoice where GST applies, a conference registration, or proof of payment in the case of a refund.
Electronic Card Management System	(ECMS) means Council's nominated web-based application used for viewing, transaction reconciliation and reporting on all Card transactions.
Entertainment	means the cost of meals and other like expenditure, which is considered to be more than providing sustenance to an Officer during the course of business. Such expenditure may be where a meal of greater than one course is provided, and or wherever alcohol is provided.
Executive	means the Chief Executive Officer or Executive Member.

Term	Definition
Financial Delegation	means the authority to approve the purchase of goods and services on behalf of Council.
IBAC	means the Independent Broadbased Anti-corruption Commission.
Improper use	means use of the Card for reasons that do not comply with the expected conduct of Council employees, including but not limited to use of the Card for personal purchases and/or purchases for items and/or services that are not for Council business reasons, and/or unauthorised use and/or use of the Card that is a breach of the requirements Code of Conduct and/or any other Council policy.
Nominated Staff Member	means a Council Officer nominated by a Business Unit Manager to be issued with a Card.
Requesting Officer	means the Business Unit Manager requesting a staff member to be issued with a Card.
Unauthorised use	means use that is not in compliance with this policy.

5. Related Documents

Name	Location
<i>Code of Conduct (Employee)</i>	Council Policy Intranet
<i>Conference and External Training Expenses Policy (Staff)</i>	Council Policy Intranet
<i>Disciplinary Policy</i>	Council Policy Intranet
<i>Fraud and Corruption Policy</i>	Council Policy Intranet
<i>Hospitality and Entertainment Policy (Staff)</i>	Council Policy Intranet
<i>Motor Vehicle Policy</i>	Council Policy Intranet
<i>Procurement Policy</i>	Council Policy Intranet
<i>Public Interest Disclosure Procedure</i>	Council Policy Intranet
Relevant Forms: Corporate Credit Card Declaration Form Corporate Credit Card Request Form Missing Tax Invoice Declaration Form Request for Credit Limit Increase Form Service Unit Specific Training Registration Form	Home>Organisation>Workplaces>Procurement, Contract Management & Insurance