



Corporate Credit Card Policy

Responsible Manager	Executive Director Financial Services
Head of power	<i>Local Government Act 2009</i> <i>Local Government Regulation 2012</i>
Authorised by	Council
Authorised on	17 November 2022
Implemented from	November 2022
Last reviewed	2022
Review history	
To be reviewed on	June 2024
Corporate Plan	People, Sustainability and Prosperity

1. Purpose

To ensure the probity, accountability and transparency of the use and issue of Council Corporate Credit Cards in accordance with legislative, contractual and policy requirements.

2. Application

This policy applies to the use of Corporate Credit Cards by employees of Council.

3. Legislation/Policies

Local Government Act 2009

Local Government Regulation 2012

Code of Conduct

4. Principles

The use of corporate credit cards have regard to the following principles:

- Ensure the principles of good governance, financial accountability, transparency and sound procurement as outlined by Council procurement policy;
- Expenditure paid for using corporate cards shall be limited solely to purchases directly related to official Council business;
- The use of Corporate Credit Cards does not negate the requirement for quotations as outlined in the Procurement and Ethical Sourcing Policy; and
- Corporate Credit Cards should only be used in situations where purchase under an account arrangement via Council's purchase order system is not reasonably available.

5. Issuing of Corporate Credit Cards

Corporate credit cards may be issued to Council Officers when it can be demonstrated that the facility is necessary, and the most effective means of meeting commitments incurred during official Council business. All corporate credit cards shall be issued with the approval of the Chief Executive Officer.

Each Corporate Credit Card issued will be in accordance with financial delegation as authorised by the Chief Executive Officer. The maximum amount of any corporate credit card shall be \$20,000 per month.

6. Conditions of Use

Credit Cards may only be used for appropriate council expenditure and the Cardholder is responsible for all charges placed against their Credit Card.

A Cardholder has authority to incur expenditure up to the limit of the card. However, all purchases must comply with Council's Procurement and Ethical Sourcing Policy and quotations are still to be obtained as outlined in the policy.

By accepting a Corporate Credit Card, the Cardholder agrees to abide by:

- the conditions of use specified by the credit provider on issue of the card; and

- all relevant policies, procedures, and guidelines; and
- provide any relevant documentation, such as tax invoices; and
- corporate credit card details are not to be released to anyone. Credit card purchases are to be through the cardholder; and
- any reasonable instructions council issues in respect to the use of the card.

Cardholders will be required to sign Council's Corporate Credit Cardholder agreement prior to the corporate credit card being issued.

Where a Cardholder does not comply with the conditions of use of a Credit Card or otherwise misuses a card:

- the cardholder may be held liable for expenditure incurred;
- Council may withdraw the card from the Cardholder; and
- Council may initiate disciplinary action or legal proceedings against the cardholder.

Credit cards shall only be used as follows:

- For the carrying out of Council authorised business including but not limited to travel, accommodation, computer software fees, conference/seminar fees; and
- For the meeting of council liabilities where purchase under an account arrangement via Councils purchase order system is not reasonably available and/or efficient, for example where suppliers and service providers only accept payment via credit card; and
- Where the expenditure has an associated budgetary allocation; and
- Credit cards is specifically designed, but not restricted to, for payment transactions with lower value (below \$2,000).

7. Circumstances in which Corporate Credit Cards may not be used

Corporate credit cards must only be used for the payment of goods and services associated with Council business. Activities that would not qualify for the use of corporate cards include the following:

- Any use that is of personal or private nature;
- Cash advances;
- Payment of fines, for example a parking fine or a speeding offence which was incurred whilst on Council business (including any associated fees);
- Purchasing of alcohol
- Payment of travel expenditure, where the travel has not been approved in advance by employee's relevant manager.

In instances where it has been confirmed that a personal or private one-off charge was a genuine mistake, it must be notified by the cardholder to the Chief Executive Officer and the Executive Director Financial Services and reimbursed as a matter of urgency.

8. Obligations of Cardholder

Upon receiving a new card, the Cardholder should:

- sign the reverse of the card immediately and activate the card by following the instructions provided with the card by the credit provider;
- ensure the safe custody of the credit card and the PIN at all times; and

- understand this policy and related reconciliation documents.

The Cardholder shall:

- obtain a tax invoice displaying the supplier's ABN for goods
- ensure suppliers record full and proper descriptions of items or services on invoices/receipts;
- confirm the supplier site is secure when placing an order via the internet;
- ensure goods and services are received in good order and condition;
- ensure a credit is received for any returns or refunds;
- immediately report lost, stolen or damaged cards to the credit provider and the Team Leader Creditors;
- perform a monthly reconciliation of the credit card.

9. Reconciliation procedures

Monthly reconciliations of the corporate credit card purchases are to be completed within 14 days of the date of the corporate credit card statement being issued to the cardholder. Transactions are required to be supported by:

- a tax invoice; and
- evidence of quotes as per Council's Procurement and Ethical Sourcing policy (if applicable); and
- a succinct explanation of why the expense was incurred; and
- OP or Task (or GL account) number for costing purposes.

If the credit card holder cannot produce a tax invoice for a Council expense, then the credit card holder is to provide a statutory declaration to confirm that the expenditure was incurred in relation to Council business.

The cardholder shall submit a signed and dated credit card statement with supporting documentation to the Team Leader Creditors for review and approval by management.

10. Review of Corporate Credit Card Use

The below authorising officer shall review and approve the monthly expenditure undertaken by each cardholder.

Cardholder	Authorising Officer of Credit Card Statement
Chief Executive Officer	Mayor
Executive Director Financial Services	Chief Executive Officer
All other cardholders	Executive Director Financial Services or Head of Financial Services

All receipts and documentation will be reviewed and any expenses that do not appear to represent fair and reasonable business expenses or in breach of council policy shall be referred to the Executive Director Financial Services or the Chief Executive Officer. Any instances where expenses do not appear to represent fair and reasonable business expenses

or in breach of council policy that relate to the Chief Executive Officer shall be referred to the Mayor.

On a monthly basis, the Team Leader Creditors or Financial Operations Accountant will review the individual corporate credit card limits, usage patterns and missing receipts, policy breaches, internal controls and risk management relating to the corporate credit card usage. A summary of the findings will be documented and referred to the Executive Director Financial Services.

Credit card holders who are consistently late in returning their reconciliations will be required to show cause as to why their credit card should not be withdrawn.

11. Review of Corporate Credit Card Limits

Credit limits are to be reviewed annually for all cardholders. If there is a request for a variation to the monthly limit, a business case will need to be provided to the Chief Executive Officer for consideration.

12. Lost or Stolen Cards

The authorised cardholder is to inform the:-

- NAB Business Line (13 10 12 - 24 hours a day, 7 days a week); and
- Team Leader Creditors as soon as they become aware the card issued is lost or stolen.

If the loss or theft is outside of business hours the credit organisation should be contacted immediately, with the Team Leader Creditors being notified the next business day.

13. Return of Cards

The authorised cardholder is to return any cards held with all tax receipts not yet submitted to the Team Leader Creditors on termination of employment or when asked to do so by the Chief Executive Officer.

Upon return of the credit card, the Team Leader Creditors will destroy the card and arrange with the credit facility provider for the cancellation of the corporate credit card

14. Audit of Corporate Cards

An audit of credit card transactions may be conducted at any time during the year.

Manager Responsible for Review:

Executive Director Financial Services

Adopted: November 2022
Due for revision: June 2024



Chief Executive Officer