

POLICY NO LG16 CORPORATE CREDIT CARD POLICY

DEPARTMENT:	Corporate Services
RESPONSIBLE OFFICER:	Manager Corporate Services
LINK TO STRATEGIC PLAN:	Maintain financial viability and accountability in budgeting and administration.
STATUTORY AUTHORITY:	N/A
OBJECTIVE:	The purpose of this policy is to provide guidance on how Council corporate credit cards are to be allocated, used and administered to ensure that they assist in efficient delivery of local government services while minimising the potential for misuse and fraud.
POLICY INFORMATION:	Adopted 19 March 2012 – Minute No 03/12.15.4.069 Amended 25 June 2012 – Minute No 06/12.15.8.169 Amended 17 March 2014 – Minute No 03/14.11.10.055 Amended 20 April 2015 – Minute No 04/15.11.14.97 Amended 14 December 2015 – Minute No 12/15.11.5.319 Amended 15 May 2017 – Minute No 05/17.12.4.112 Amended 21 January 2019 – Minute No 01/19.12.4.11

POLICY

1. ALLOCATION AND ISSUE OF CREDIT CARDS AND CREDIT CARD LIMITS

The following table identifies potential organisational roles that may be issued a credit card, the allocation process and the approved credit card limit:

Role	Authorisation	Limit
Mayor	Approved by Council, subject to being requested by the Mayor	\$5,000
General Manager	Approved by Council, subject to being requested by the General Manager	\$5,000
Other Senior Managers	Subject to the specific approval of the General Manager	\$4,000

Credit cards are authorised for these positions but may not necessarily be taken up. Similarly, issued credit cards may be relinquished if there is no longer an organisational procurement benefit.

As well as, or instead of issuing credit cards for specific Senior Managers, the General Manager may authorise the issue of credit cards for more general use. These cards, could, for example, be retained by the Manager Corporate Services or Executive Assistant.

Changes to credit card limits above these thresholds will only be by amendment to this Policy, by Council. Lower limits may be adopted at any time if justified by purchasing history while still facilitating efficient procurement.

2. TOP UPS

A Cardholder may apply for a top-up of funds to the monthly credit. Top-up applications are decided according to the following procedure:

Top-ups of the General Manager's credit card account are always reviewed by the Mayor and authorised by the Manager Corporate Services. Top ups of all other Cardholders are authorised by the General Manager.

Authorisers review the Cardholder's purchasing and top-up history for adherence to this policy and justification of purchases. For any given month, the total top-up amount for an account should generally not exceed 50% of the monthly credit limit.

3. CORPORATE CREDIT CARD REVIEW AND RECONCILIATION PROCEDURES

1. Corporate Credit Card statement accounts will be issued to the relevant cardholder who will ensure the acquittal of the transactions on the account.
2. Transactions will be supported by appropriate documentation (eg tax invoice/receipt or signed purchase statement) clearly identifying the nature of the procurement.
3. Transactions shall be accompanied by a job number for costing purposes.
4. A designated Council administration officer will review and reconcile the transactions and confirm compliance with this Policy. Any potential non-compliance will be reported to the Manager Corporate Services or General Manager for investigation.
5. When appropriately reviewed and reconciled, the cardholder shall sign and date the credit card statement
6. The Mayor will review and the Manager Corporate Services confirm the reconciliation and approve the payment of the General Manager's credit card. The General Manager will confirm the reconciliation and approve the payment of all other credit cards.
7. Full statement reconciliation, acquittal and approval for payment must be completed within four (4) weeks of receiving the statement
8. Credit card are paid by automatic direct debit as the reconciliation and confirmation process is undertaken in parallel with any payment process and transactions can be reviewed, queried and challenged regardless of payment.

4. CORPORATE CREDIT CARDHOLDER RESPONSIBILITIES

1. Ensure corporate credit cards are maintained in a secure manner and guarded against improper use.
2. Corporate credit cards are to be used only for Break O'Day Council official activities; there is no approval given for any private use.
3. All documentation regarding a corporate credit card transaction is to be retained by the cardholder/designated Council administration officer and produced as part of the monthly reconciliation procedure. In the absence of a valid tax invoice or original receipt, sufficient information regarding the transaction to confirm that the transaction is a valid work-related purchase that complies with this policy must be provided.
4. Credit limits are not to be exceeded (See - 2. TOP UPS)
5. Purchases on the corporate credit card are to be made in accordance with Break O'Day Council's Procurement Policy - Code of Tenders and Contracts.
6. All cardholder responsibilities as outlined by the card provider are to be complied with.
7. Credit cards issued to specific staff are only to be used by that specific staff member and not, for example, by the staff member's spouse or other family members

8. Credit cards issued for more general office use may be used by other staff members but always with the specific approval of the designated staff member. Appropriate documentation of the use must be provided. The designated staff members retain responsibility for all transactions and their compliance with Council's Policy.

5. SPECIFIC CREDIT CARD TRANSACTIONS

Credit cards are for Council business use only and therefore no personal transactions are permitted. On that basis, cash advances and withdrawals are prohibited.

Fuel purchases – wherever possible, fuel purchases should be made with Council's issued fuel card and not credit card as this ensures an ongoing record of fuel consumption for tracking fuel economy, etc. Although, in an emergency (eg need for fuel without an accessible designated fuel card supplier) credit card payment is permissible, this should be avoided if possible.

Entertainment expenses – entertainment expenses can be a legitimate business transaction and are permissible with the appropriate documentation provided.

Fines, such as parking and traffic offences, are considered a personal cost and not a business expense as they are generally avoidable by appropriate action taken by the staff member. Fines are therefore not a permissible credit card transaction.

Any refunds for purchases made on a Council credit card must be refunded back to the credit card account. Refunds must not be accepted in cash.

Where a payment for necessary goods or services can only be made through a payment/e-commerce system, and that system requires the storage of credit card details or linking to a credit card account, this will be authorised by the Manager Corporate Services and managed by the designated Council administration officer. This policy applies for the online account, as for the credit card itself:

- (1) The online account is restricted for use by the Cardholder;
- (2) The online account is for work-related purchases only, in accordance with this policy;
- (3) The online account is to be set up with a work email address and details and to be managed separately from any personal online payment/e-commerce accounts. Preferably, the email address will be 2creditors@bodc.tas.gov.au and any log on details and passwords also managed by the designated Council administration officer

6. PROCEDURE FOR LOST, STOLEN AND DAMAGED CARDS

The loss or theft of a credit card must be immediately reported by the cardholder to the card provider regardless of the time or day discovered. The cardholder must also formally advise the Manager Corporate Services of the loss or theft on the next working day.

Advice of a damaged card is to be provided to the Manager Corporate Services who will organise replacement.

7. RENEWAL OF CARDS

Cards that are due to expire will receive a replacement in advance. Old cards must be returned to the Manager Corporate Services and the replacement card signed by the cardholder.

8. DISPUTED TRANSACTIONS

Disputed transactions must be resolved with the supplier and the card provider by the cardholder. The cardholder must notify the bank immediately for resolutions and the Manager Corporate Services should be advised promptly.

9. TERMINATION OF EMPLOYMENT

Prior to departure or termination of duties, the cardholder must acquit all expenditures on his/her card account.

It is the responsibility of the departing staff member to ensure that his/her account is settled prior to departure. Accounts in arrears will be liable for legal action.

The card must be surrendered upon termination of employment to the Manager Corporate Services.

10. MONITORING AND REVIEW

This Policy will be reviewed every three (3) years in line with the Council's Policy Framework or earlier in the event of major changes to legislation or related policies, procedures or if deemed necessary by the General Manager.