



SHIRE COUNCIL  
**Blayney**

## Corporate Credit Card Policy

<b>Policy</b>	4C
<b>Officer Responsible</b>	Chief Financial Officer
<b>Last Review Date</b>	19/12/2022

**Strategic Policy**

## **Objectives**

The purpose of the Corporate Credit Card Policy is to provide guidance on the provision and use of Council's Corporate Credit Cards and to identify who is entitled to a corporate card, outline the responsibilities of Corporate Card users and identify the permitted users of the cards.

## **Overview**

Council has introduced Corporate Credit Cards with the aim to minimise administration expenses and time inefficiencies with purchases and to ensure effective control and accountability of certain Council purchases and payments.

## **Policy**

The use of a Council Corporate Credit Card must be in accordance with the Corporate Credit Card Policy.

## **Scope**

This Corporate Credit Card Policy applies to all users of Council's Corporate Credit Cards.

## **Responsibilities**

### Cardholders

Corporate Credit Cardholders are responsible for:

- All transactions for which their Council Corporate Credit Card is used.
- Signing the Corporate Card Acknowledgement and Conditions of Use form on receiving the Corporate Card.
- Ensuring the Council Corporate credit is maintained in a secure manner, guarded against improper use and safe keeping of the Corporate Card, immediately reporting to the Bank and Chief Financial Officer if the Corporate Credit Card is lost, stolen, damaged or has suspected fraudulent transactions.
- Taking the appropriate measures to ensure the Corporate Card is not used by another person other than the approved cardholder.
- Exercising professional judgement with regards to Internet purchases in regard to the security of the site.
- Not using the Corporate Credit Card without having read and understood the Corporate Card Policy.
- Ensuring that the Corporate Credit Card is used in accordance with Council's Procurement of Goods and Services policy and other policies, as appropriate.
- Ensuring that all purchases are made within their delegated expenditure limits and that that their credit limit is not exceeded.
- Ensuring that expenditure is contained within available budget limits.
- Reimbursing Council for the cost of purchases deemed not to be for the use of Council, or Council related business within a reasonable period of time.

- Ensuring that a tax invoice, receipt, docket or similar source document is obtained for each transaction and given to the Chief Financial Officer with the completed Cardholder Statement form. EFTPOS receipts do not represent tax invoices and will not be accepted as supporting documentation.
- Completing and submitting the Corporate Credit Card Transaction Declaration form when the original source document for a transaction is lost, stolen, mislaid, damaged or not received.
- Completing the Corporate Card Termination of Use Advice form when forfeiting the Corporate Credit Card due to transferring to another position that does not require a Corporate Credit Card, terminating employment with Council, or any other reason that may warrant the forfeiture of the Corporate Credit Card. A full acquittal of expenditure from previous statement date to termination date shall accompany advice.

#### Mayor

- The initial approval of an application for a credit card by the General Manager.
- Ensuring that the General Manager is made aware of and understands their individual responsibility associated with holding a credit card.
- The prompt receipt, costing and authorisation of transactions for the General Manager.
- Verification and authorisation of monthly statements of credit cards by the General Manager.

#### General Manager, Directors and Managers

General Manager, Directors and Managers are responsible for:

- The initial approval of applications for credit 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 credit card.
- The prompt receipt, costing and authorisation of transactions for each cardholder within their area of responsibility.
- Verification and authorisation of monthly statements of credit cards by employees within their area of responsibility. In the case of the Mayor, the Chief Financial Officer shall be responsible for review for policy compliance and authorisation.
- Ensuring all issues pertaining to disputed transactions are brought to the attention of the Chief Financial Officer.

#### Chief Financial Officer

The Chief Financial Officer (or their delegate) is responsible for:

- Ensuring the credit card register within banking system is maintained and accurate at all times.
- Safe custody of cards surrendered by employees during extended periods of leave.
- Annual review of all credit cards and limits to ensure appropriate business need.

- Coordination of annual acknowledgement and undertaking declarations.
- Maintaining a register of credit cards which should include the following details:
  - Name of the cardholder
  - Card number
  - Date of issue
  - Card expiry
  - Delegation limit
  - Card limit
  - Transaction Limit
- Cardholder signed agreement. Distribution and follow up of credit card statements for costing and authorisation. Regular reviews to ensure the system of controls continues to mitigate credit card risks effectively and efficiently.

#### Audit, Risk and Improvement Committee

The Audit, Risk and Improvement Committee is responsible for:

- Receiving an annual report from the Chief Financial Officer of credit card usage, policy breaches and associated relevant matters pertaining to credit card usage.
- Internal audit reviews, at least every 3 years, covering credit cards as appropriate, e.g. processes for issue and return; whether reconciliation and review procedures are being followed. (Per NSW Treasury Guideline TPP21-02 Use and Management of NSW Government Purchasing Cards.)

#### **Restrictions on Use**

Under no circumstances is a Council Corporate Credit Card to be used for cash advances.

Purchases must only be for the use of Council, or Council related business, and not for private or personal use.

The Corporate Credit Card is not to be used for obtaining items which are available from Council's stores inventory or where an account exists with the supplier e.g. Blayney Supermarket. A lack of planning or organisation by the cardholder is not considered a reasonable explanation for not obtaining goods from stores inventory.

The card must not be used for fuel purchases unless the fuel card is unable to be used.

### **Card Application, Issue and Use**

The General Manager has the delegated authority to authorise the issuing of Corporate Credit Cards to the Mayor and employees. Entitlement to a Corporate Credit Card shall be determined by the General Manager and will only be issued when it is established that the anticipated usage of the card is warranted and required delegation is held.

In the case of a credit card for use by the General Manager, approval shall be by the Mayor.

Cards may be withdrawn at the discretion of the General Manager (or for the General Manager by the Mayor).

### **Disputed Transactions**

Council is responsible for paying all accounts on the monthly credit card statements and the provider will debit this amount to the Council's bank account at the end of each month.

The Cardholder will be personally liable for expenditure that cannot be shown to be related to the business of Council.

When a dispute occurs, the Cardholder should attempt to correct the situation with the merchant.

If unable to correct the situation, the Cardholder should advise the Chief Financial Officer who will attempt to resolve the matter and may have to contact the bank for assistance.

The General Manager will be the ultimate arbiter of disputed transactions involving staff. Where the disputed transaction involves the General Manager, the ultimate arbiter will be the Mayor.

### **Controls on purchases**

The use of the Corporate Credit Cards is subject to Council and Bank controls, policies and procedures.

The Chief Financial Officer will perform random audits on individual Corporate Cardholder's Statements to ensure that the Corporate Credit Card Policy is being adhered to.

Failure to comply with the conditions as detailed within this Policy may result in the cardholder's entitlement to a Corporate Credit Card being revoked and disciplinary action being taken.

### **Termination of Use**

In the event that a cardholder's entitlement to a Corporate Credit Card has been terminated for reasons such as:

- (i) termination of employment;
- (ii) re-assignment to another position within Council;
- (iii) failure to comply with the conditions of this Policy; or
- (iv) any other reasons as determined by the General Manager.

The Corporate Credit Card, together with all supporting documentation and other relevant documentation, with a completed Termination of Use Advice form, must be forwarded to Chief Financial Officer.

### **Review**

The Corporate Credit Card Policy will be reviewed on an annual basis and referred to Council for amendment as required.

The End

<b>Adopted:</b>	<b>Date: 14/05/2007</b>	<b>07/091</b>
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