

Responsible Directorate	Corporate Services
Responsible Business Unit/s	Finance Services
Responsible Officer	Manager Finance
Affected Business Unit/s	Finance Services

Objective

This policy establishes rules for the use and responsibilities of corporate credit cards by ensuring that operational and administrative costs and the risks associated with credit card use are minimised while providing cardholders with a convenient method of purchasing goods and services on behalf of the City.

Scope

This policy applies to all officers issued with a corporate credit card. It documents the responsibilities attached to these cards and their acceptable use.

Policy

Authority for Use of Corporate Credit Cards

Corporate Credit Cards may be issued to the Chief Executive Officer and authorised officers where it is inappropriate or inconvenient to use the City's normal payment systems.

Authority for Approval of Corporate Credit Cards

The Council must approve the issue of a credit card to the Chief Executive Officer and any change to the credit card limit. The Chief Executive Officer may approve the issue of a Corporate Credit Card and any change to credit card limits for any credit cards issued to council officers.

The *Local Government Act 1995* does not allow for the issue of Corporate Credit Cards to elected members of Local Governments. Elected Members are entitled to allowances or the reimbursement of expenses incurred on Council business.

Legislation

The *Local Government Act 1995* does not specifically mention the use of Corporate Credit Cards by officers in a Local Government. However, Section 6.5(a) of the *Local Government Act 1995* requires the Chief Executive Officer to ensure that proper accounts and records of the transactions and affairs of the Local Government are kept in accordance with regulations. In addition, the *Local Government (Financial Management) Regulations 11(1)(a)* requires Local Government to develop procedures for the authorisation and payment of accounts to ensure that there is effective security and appropriate authorisation in place for the use of credit cards.

Approved Bankers

Corporate Credit Cards are normally issued by Banks and Financial Institutions on behalf of or through Credit Card providers such as Visa, MasterCard or American Express.

Corporate Credit Cards are to be issued by its transactional banker.

Purchases and Use of Corporate Credit Cards

The Corporate Credit Cards shall only be used for purchases of goods and services in the performance of official duties for which there is a budget provision. Under no circumstances are they to be used for personal or private purposes or for the withdrawal of cash through a bank branch or any automatic teller machine.

Where purchases are made by facsimile, over the telephone or on the internet, an invoice should be requested to support the purchase. Most internet transactions provide this ability and any telephone or facsimile communications provide the opportunity to make such a request. If no invoice or receipt is available, as much detail about the transaction should be recorded and used to support the payment when required. (Date, Company, Address, ABN, amount any GST included).

Where a payment is made for entertainment, it is important to note on the invoice/receipt the number of persons entertained and the names of any City of Stirling employees in that number. This is required to ensure the City pays the correct amount of Fringe Benefits Tax.

Accounts and Settlement

The provider of the credit card will supply the Finance Services Business Unit with a statement of account each month. This statement will be forwarded to the cardholder for certification and the supply of receipts and tax invoices to support the City's claim for the GST component of purchases and services obtained. Cardholders are to certify that the account details are correct but must have their supervisors approve the expenses by signing the statement before it is returned to Finance Services for payment. In the case of the Chief Executive Officer, the statement must be signed by the Mayor. A credit card transaction slip is not acceptable to support the claim. A tax invoice should provide a brief description of the goods and services supplied along with the suppliers ABN. The cardholder is to provide the relevant or correct expense account for the expenditure.

Card Lost or Stolen

Cards that are lost or stolen must be reported immediately by the cardholder to the issuing bank by telephone. At the earliest opportunity, written notification must also be given to the Manager Finance so that the cancellation of the card may be confirmed and a reconciliation of the card account from the date the card was lost or stolen may be performed.

Misuse of Corporate Credit Cards

Cards which show unreasonable, excessive or unauthorised expenditure will be subject to audit and may result in the withdrawal of the card from the cardholder.

Recovery of Unauthorised Expenditure

Unauthorised expenditure or expenditure of a private nature that is proved to be inappropriate will be recovered by deductions from the officer's salary.

Internal Audit of the Corporate Credit Card System

From time to time the Internal Auditor will provide a report on the control, use, viability and adherence to authorised policy and procedures to the Internal Audit Committee.

Reward/Bonus Points

Where the Corporate Cards carry rewards or bonus points, usually to encourage the use of the card by the issuing institution, these rewards or points will be accumulated in the name of the City of Stirling. The Chief Executive Officer will decide how these points are to be utilised and may include a charitable, social or sporting distribution. Under no circumstances are rewards or bonus points to be redeemed for an officer's private benefit.

Return of Cards

When the Chief Executive Officer or other Officer cease to occupy a position that is authorised to be issued with a corporate credit card (either through internal transfer, retirement, resignation or conclusion of service contract) they must return the card to the Manager Finance (or in the case of the Manager Finance to the Director Corporate Services) at least one week prior to vacating the position so that the card may be cancelled and the account settled.

Finance Services Business Unit Responsibilities

The Manager Finance is responsible for arranging the issue of the Corporate Credit Card on advice from the Chief Executive Officer.

The Finance Services Business Unit's responsibilities in relation to the Corporate Credit Cards include:-

1. Maintain a Card Register of all cardholders.
2. Arrange the issue/cancellation of the Corporate Credit Cards.
3. Arrange for all cardholders to sign the Credit Card User Instruction Agreement (see Appendix A) on receipt of the new card and ensure the signed agreement is filed in the Card Register.
4. Process payment of card expenditure on receipt of the card statement from the Bank.
5. To keep cardholders informed of any changes to policy and procedures on the use of the Corporate Cards.

Cardholders Responsibilities

Officers who are issued with Corporate Cards must -

- i. Ensure the care and safe keeping of the card.
- ii. Adhere to the policy and procedures in relation to use of the card and its financial limits.
- iii. Ensure receipts and tax invoices are received when the card is used and to produce them as evidence for settlement with the Bank.
- iv. Ensure the monthly card statement is certified correct and approved for payment when received from the Finance Services Business Unit and return to Finance Services together with the receipts and tax invoices within seven (7) days of receipt.
- v. Ensure relevant and correct expenditure account details (account numbers) are provided against each item of expenditure on the card statement to assist with the allocation of expenses and claims for the reimbursement of GST from the Australian Taxation Office.
- vi. To provide an early response to enquiries that may be made by the bank, creditors or related parties, as the case may be.
- vii. The use of the corporate credit card shall be in accordance with the City's Code of Conduct at all times.

Definitions

Nil

Relevant management practices/documents

Nil

Legislation/local law requirements

Local Government Act 1995

Local Government (Financial Management) Regulations 1996

Office use only

Relevant delegations

Not applicable

Initial Council adoption

Date 9 April 2013

Resolution #

0413/010

Last reviewed

Date 26 May 2020

Resolution #

0520/027

Next review due

Date 2021

Appendix A

To: _____

Title: _____

From: **Manager Finance**

Date: _____

CORPORATE CARD USER INSTRUCTIONS

You have been provided with a City of Stirling sponsored Corporate Card in line with your official duties. The limit of this card is \$_____.

The following guidelines are provided for your information.

1. The card is issued in your name. It is a corporate card and all transactions made with it are the responsibility of the City of Stirling.
2. The card is to be used for official expenditure in the performance of official duties for which there is Budget provision. Under no circumstances is it to be used for personal or private purposes.
3. Being in your name, you are responsible for the care and safe keeping of the card and therefore held accountable to the City for its proper use.
4. The card is not to be used to withdraw cash even for official functions.
5. Any unauthorised, excessive or unreasonable use of the card will result in an enquiry and appropriate disciplinary action.

A Corporate Credit Card may be withdrawn for the following reasons:

- Misuse of the card, including unacceptable or inappropriate expenditure.
 - Non-compliance with the conditions of use.
 - Continued non completion and/or appropriate approval of monthly credit card Expense Report.
 - The position currently held within the unit no longer requires a credit card purchasing facility or the card has not been used for 12 months.
 - The cardholder ceases employment with the City.
 - Upon the request of the Manager Finance.
6. Unauthorised expenditure or expenditure of a private nature that is proved to be inappropriate will be repaid directly by the officer or recovered by deductions from the officer's salary.
 7. When using the card, the holder is required to obtain Tax Invoices to support all purchases. A credit card statement or credit card transaction slip is not acceptable as support for purchases. (Only a Tax Invoice allows the City to reclaim the GST component of purchases from the Australian Taxation Office). A Tax Invoice should provide a description of the goods or services supplied, the supplier's Australian Business Number and identify any GST component of the amount paid.
 8. When a Statement of Account is provided, you are required to certify the correctness of the expenditure and return the Statement to the Finance Services Business Unit together with all supporting Tax Invoices and appropriate expense accounts to charge the costs within 7 days.

9. If the card is lost or stolen, you must immediately notify the Westpac Banking Corporation Card Service Centre by phone on 1300 651 089. The Manager Finance should be notified on the next working day.
10. The card must be returned to the City via the Finance Services Business Unit if you vacate the position either through resignation, retirement or the conclusion of the Service Contract.
11. Please acknowledge your understanding of the Credit Card Policy and the work instructions as detailed above by signing and returning the duplicate copy of this statement to the Manager Finance Services.

Name

Title

Signature

Date