

POLICY NO	C007	
POLICY	CORPORATE CREDIT CARD	
RESPONSIBLE DIRECTORATE	CORPORATE	
COUNCIL ADOPTION	Date: 27.5.14	Resolution No. FC 5/5/14
REVIEWED/MODIFIED	Date: 25.8.15	Resolution No. FC 4/8/15
	Date: 15.12.15	Resolution No. FC 15/12/15
	Date: 26.4.16	Resolution No. FC 3/4/16
LEGISLATION	Nil	
RELEVANT DELEGATIONS		

OBJECTIVE

POLICY STATEMENT

All cardholders must have either the authority or delegated authority to commit Council to expenditure. The Council must approve Corporate Credit Cardholders.

1.0 Personal Use

The credit card is for official Council business only and is not to be used to obtain personal items under any circumstances. Breaches may constitute disciplinary action in accordance with Council's policies, the immediate withdrawal of the facility and possible action under the Criminal Code.

2.0 Use by Persons other than the Cardholder

Cardholders must not allow their card to be used by other persons per condition 18 of the Visa Business Card Conditions of Use, even in absences. This is to ensure that the cardholder has full responsibility for the use of the card and breaches of this condition will result in the Council being liable for any unauthorised transactions.

3.0 Corporate Credit Cardholder Responsibilities

- 3.1 Ensure corporate credit cards are maintained in a secure manner and guarded against improper use.
- 3.2 Corporate credit cards are to be used only for Council official activities, there is no approval given for any private use.
- 3.3 All documentation regarding a corporate credit card transaction is to be retained by the cardholder and produced as part of the reconciliation procedure.
- 3.4 Credit limits are not to be exceeded.
- 3.5 Purchases on the corporate credit card are to be made in accordance with Shire of Carnarvon - Purchasing Policy.

- 3.6 Reconciliation is to be completed within 7 days of the date of the corporate credit card statement being issued.
- 3.7 Corporate credit cards are to be returned to the Executive Manager Corporate Services on or before the employee's termination date with a full acquittal of expenses.
- 3.8 All cardholder responsibilities as outlined by the card provider.

4.0 Corporate Credit Card Reconciliation Procedures

- 4.1 Corporate Credit Card statement accounts will be issued to the relevant cardholder who will, within 7 days, acquit the transactions on the account. A template is attached to this policy identifying the reconciliation requirements.
- 4.2 Transactions will be supported by a GST invoice stating the type of goods purchased, amount of goods purchased and the price paid for the goods. The receipt shall meet the requirements of the *Goods and Services Tax Act 1999* to enable a GST rebate to be applied.
- 4.3 Transactions shall be accompanied by a job number for costing purposes.
- 4.4 If no supporting documentation is available the cardholder will provide a declaration detailing the nature of the expense and must state on that declaration all expenditure is of a business nature'. Approval of this expense is referred to the Chief Executive Officer for a decision.
- 4.5 Should approval of expenses be denied by the Chief Executive Officer recovery of the expense shall be met by the cardholder.
- 4.6 The cardholder shall sign and date the credit card statement with supporting documentation attached stating all expenditure is of a business nature.
- 4.7 A monthly report of all credit card transactions will be included in the accounts for payment report presented to Council.

5.0 Use of Cards

Corporate Credit Cards must not be used to purchase fuel products for Council vehicles unless in exceptional circumstances – a fuel card should be used for this purpose where possible.

6.0 Disputed Transactions

Council is responsible for paying all accounts on the monthly credit card statement and the bank processes a direct debit from Council's operating bank account for such.

When a Cardholder believes that charges are incorrect they should first contact the supplier to determine the causes of the discrepancy and if necessary the Creditors Officer will notify the bank in writing.

Any amounts in dispute must be highlighted on the copy of the Cardholders statement and a copy of the written notification to the bank attached.

7.0 Cancelled Cards

Cancellation of a Credit Card may be necessary where the:

- (a) Cardholder changes job function within Council
- (b) Cardholder terminates employment with Council
- (c) Council terminates employment with the Cardholder
- (d) Card is no longer required
- (e) Cardholder has not adhered to set procedures
- (f) Misuse of the Credit Card.

8.0 Review of Corporate Credit Card Use

All receipts and documentation will be reviewed and any expenses that do not appear to represent fair and reasonable business expenses shall be referred to the Chief Executive Officer for a decision.

9.0 Procedures 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 Director Corporate and Community Services of the loss or theft on the next working day.

Advice of a damaged card is to be provided to the Director Corporate and Community Services who will arrange a replacement.

10.0 Additional Cardholders

The CEO is the primary cardholder for the Shire and may delegate additional cardholders within the Shire's approved total credit limit.

Individual Credit Card limits within the total credit limit must be as follows:

CEO	\$5000
Executive Managers	\$3000
Executive Officer	\$3000
Others (as issued by CEO)	\$500

11.0 Corporate Credit Cardholder Agreement

I (insert cardholder name) acknowledge and accept the below listed conditions of use of the Shire of Carnarvon Corporate Credit Card:

- 11.1 Ensure corporate credit cards are maintained in a secure manner and guarded against improper use.
- 11.2 Corporate credit cards are to be used only for Shire of Carnarvon official activities as prescribed by the Chief Executive Officer, there is no approval given for any private use.
- 11.3 Ensure no one else uses the credit card.
- 11.4 All documentation regarding a corporate credit card transaction is to be retained by the cardholder and produced as part of the reconciliation procedure.
- 11.5 Credit limits are not to be exceeded.
- 11.6 Observe all cardholder responsibilities as outlined by the card provider.
- 11.7 Purchases on the corporate credit card are to be made in accordance with

Shire of Carnarvon Purchasing Policy.

- 11.8 Reconciliation is to be completed within 7 days of the date of credit card statement being issued on the supplied template.
- 11.9 Transactions will be supported by a GST invoice stating the type of goods purchased, amount of goods purchased and the price paid for the goods. The receipt shall meet the requirements of the *Goods and Services Tax Act 1999* to enable a GST rebate to be applied.
- 11.10 Transactions shall be accompanied by a job number, cost centre and element type for costing purposes.
- 11.11 If no supporting documentation is available the cardholder will provide a declaration detailing the nature of the expense and must state on that declaration all expenditure is of a business nature. Approval of this expense is referred to the Chief Executive Officer for a decision.
- 11.12 Should approval of expenses be denied by the Chief Executive Officer recovery of the expense shall be met by the cardholder.
- 11.13 The cardholder shall sign and date the corporate credit card statement with supporting documentation attached stating all expenditure is of a business nature.
- 11.14 Lost or stolen cards shall be reported immediately to the card provider and a written account of the circumstances shall be provided to the-Executive Manager Corporate Services on the next working day.
- 11.15 Credit cards are to be returned to the Executive Manager Corporate Services on or before the employees termination date with a full acquittal of expenses.

Failure to comply with any of these requirements could result in the card being withdrawn from the employee. In the event of loss or theft through negligence or failure to comply with the Shire of Carnarvon Corporate Credit Card Policy any liability arising may be passed on to the cardholder.

EXPLANATORY NOTES:

APPLICATION/S:



CORPORATE CREDIT CARD RECONCILIATION

TRANS DATE	CREDITOR	DESCRIPTION	COA/JOB	CC	EM

Signed: (cardholder)

Date: (insert date)

Please attach all invoices to this template, noting the following:

1. Must be a valid tax invoice (please contact Creditors if you have any queries regarding this)
2. A job number, cost centre and element type must be allocated for each invoice
3. Please state what each invoice is for i.e. flights to Melbourne for Water Conference, lunch for supervisors
4. If item is food/beverage/entertainment related please record who was in attendance i.e. 2 staff members, 4 elected members, 2 others

** If no tax invoice is supplied a declaration of expenditure must be provided for consideration to the Chief Executive Officer. I certify that all the purchases are of a business nature.