

 GLAMORGAN SPRING BAY COUNCIL	POLICY – CORPORATE CREDIT CARD	Policy 6.1	
		Version 1	Date 28/6/16
Minutes Dated 28/6/16	Approved By: Council Decision No. 95/16	Review Date As required but no later than 2020	

1. OBJECTIVE

Glamorgan Spring Bay Council corporate credit cards are provided to Council personnel to enable the purchase of goods in the following situations:

- ONLY for Council business activities
- For minor purchases where a Council order is not able to be accepted
- For the purchase of goods in accordance with Council’s Procurement Policy

Glamorgan Spring Bay Council corporate credit cards do not have a cash advance facility.

2. SCOPE

This policy provides a clear framework to:

1. Allow the use of corporate credit cards
2. To provide Glamorgan Spring Bay Council personnel issued with a corporate credit card clear and concise guidelines outlining corporate credit card use.
3. To reduce the risk of fraud and misuse of the corporate credit card.

The application of this policy is to be in conjunction with the Glamorgan Spring Bay Council Code of Conduct and any legislative requirements of the Local Government Act that may be enforced.

3. PROCEDURE

Once approved the application must be signed by two (2) signatories to Council’s bank accounts and the cardholder.

Corporate credit cards will only be issued when it is established that the anticipated usage of the card warrants such.

The General Manager and other personnel of Glamorgan Spring Bay Council are issued with corporate credit cards and will be responsible for any minor purchases that are made on such during the daily operations of Glamorgan Spring Bay Council.

Minor purchases where corporate credit cards are becoming the normal method of payment include the one off purchase of Australian Standards, other regulatory items, purchases from web sites, conference attendances and training and emergency items. Items that are readily able to be purchased via a Council order will not be purchased on a corporate credit card.

i. Limits

Each card will be limited to a maximum of \$5,000 for the General Manager and the Manager Works and \$3,000 for any other approved Council Officers. These credit cards are strictly for business expenditures only.

ii. Corporate Credit Card Responsibility

- a) Ensure corporate credit cards are maintained in a secure manner and guarded against improper use.
- b) Corporate credit cards are to be used only for Glamorgan Spring Bay Council official activities; there is no approval given for any private use.
- c) All documentation regarding a corporate credit card transaction is to be retained by the cardholder and produced as part of the monthly reconciliation procedure.
- d) Credit limits are not to be exceeded.
- e) Purchases on the corporate credit card are to be made in accordance with Glamorgan Spring Bay Council's Code of Tenders and Contracts.
- f) Reconciliation is to be completed within 7 days of the date of the corporate credit card statement being issued.
- g) Corporate credit cards are to be returned to the General Manager on or before the employee's termination date with a full acquittal of expenses.
- h) All cardholder responsibilities as outlined by the card provider are to be complied with.

iii. Corporate Credit Card Reconciliation Procedures

- a) Corporate credit card accounts are updated daily on the Xero system and must be reconciled within 7 days of the expenditure.
- b) Transactions will be supported by a tax invoice/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.
- c) Transactions (when required) shall be accompanied by a detailed explanation of why the expense was incurred.
- d) 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 General Manager and in the case of the General Manager must be referred to the management group (also known as MANEX).
- e) Should approval of expenses be denied by the General Manager, recovery of the expense shall be met by the cardholder.

iv. Review of Corporate Credit Card Use

The Senior Finance Officer or General Manager shall review and approve the monthly expenditure undertaken by each staff member. 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 General Manager. In the case of the General Manager's expenditure this would be referred to MANEX.

External scrutiny of the credit card expenditure will be encouraged as part of the external audit process of Council's finances.

v. *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 General Manager of the loss or theft on the next working day.

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

vi. *Renewal of Cards*

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

vii. *Disputed Transactions*

Disputed transactions must be resolved with the supplier and the bank by the cardholder. The cardholder must notify the bank immediately for resolutions and General Manager must be advised.

viii. *Termination of Employment*

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

All transactions must be reconciled and approved prior to the cardholder's departure from employment.

The card must be surrendered to the General Manager upon resignation with a full reconciliation to date.

ix. *Monitoring and Review*

This Policy will be reviewed every four (4) years or earlier in the event of relevant changes to legislation or related policies, procedures or if deemed necessary by the General Manager or Council. The policy is reviewed every four years but should it be highlighted that there are problems then the Audit Panel should review immediately and recommend changes to Council.

4. IMPLEMENTATION

This policy will be implemented upon endorsement from the Glamorgan Spring Bay Council Audit Panel and endorsement by Council.

5. DELEGATION

This policy delegates to the General Manager.

6. RESPONSIBILITY

The cardholder is responsible for all transactions for which the council credit card is used.

The cardholder is responsible for ensuring that their council credit card is maintained in a secure manner and as far as practicable guarded against improper use.

The cardholder is responsible for ensuring that the reconciliation of their credit card, once provided or alerted to electronically by the responsible officer, is completed within seven days of issue/alert.

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

7. REPORTING

N/A

8. STATUTORY REQUIREMENTS

N/A

9. REFERENCES

Refer to Glamorgan Spring Bay Council's delegations for approval limits.

10. ATTACHMENTS

A Corporate Credit Cardholder Agreement.

Attachment A: Corporate Credit Cardholder Agreement



**GLAMORGAN SPRING BAY COUNCIL
CORPORATE CREDIT CARDHOLDER AGREEMENT**

I (insert cardholder name)
.....acknowledge and accept the below listed conditions of use of
the Glamorgan Spring Bay Council Corporate Credit Card:

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 Glamorgan Spring Bay 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/Creditors Officer and produced as part of the reconciliation procedure.
4. Credit limits are not to be exceeded. The credit card limit is \$.....
5. Observe all cardholder responsibilities as outlined by the card provider.
6. Purchases on the corporate credit card are to be made in accordance with Glamorgan Spring Bay Council's Code of Tenders and Contracts.
7. Reconciliation is to be completed within 7 days of the date of credit card statement being issued on the supplied template.
8. Transactions will be supported by a tax invoice stating the type of goods or services purchased, amount of goods purchased and the price paid for the goods or services. The receipt shall meet the requirements of the Goods and Services Tax Act 1999 to enable a GST rebate to be applied.
9. Transactions shall be accompanied by a detailed explanation of why the expense was incurred.
10. Transactions shall be accompanied by a job number for costing purposes.
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 General Manager.
12. Should approval of expenses be denied by the General Manager, the recovery of the expense shall be met by the cardholder.
13. The cardholder shall sign and date the corporate credit card statement with supporting documentation attached stating 'all expenditure is of a business nature'.
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 Senior Finance Office on the next working day.
15. Credit cards are to be returned to the General Manager on the employee's resignation 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 Glamorgan Spring Bay Council Corporate Credit Card Policy any liability arising may be passed to the cardholder.

The use of a Glamorgan Spring Bay Council Corporate Credit Card is subject to the provisions of the Code of Conduct of Glamorgan Spring Bay. Serious transgression of the above listed responsibilities or the code of Conduct may result in an appropriate referral under the Crimes Act 1900 and/or termination of employment.

Signed: (cardholder)
.....

Date: (insert date)
.....

Witness Name: (insert name)
.....

Witness Signature: (signature)
.....

Date: (insert date)