

 GLAMORGAN SPRING BAY COUNCIL	POLICY – CORPORATE CREDIT CARD	Policy 6.1	
		Version 1 Version 2	June 2016 April 2020
Minutes Dated 28/04/20	Approved By: Council Decision No.: 130/20	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.

This policy applies to all Council corporate credit cards.

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

3.1 Risk Management Strategy

Each active credit card represents a risk of accidental or intentional misuse of public funds and each credit limit is the extent of that risk. To minimise risks associated with credit cards, Council must:

- Allocated credit cards according to departmental need, and avoid allocating on an ad hoc or individual basis;
- Only issue cards to organisational roles where the operational benefits of efficient purchasing outweigh the increase in risk;
- Maintain control on the total number of credit cards issued and their combined purchasing potential (or credit limit) at any one time;
- Control the credit limit available on each card to an appropriate amount required to facilitate efficient purchasing for each role, considering the alternative payment options available; and

- Ensure Cardholders adhere to the procedures and responsibilities set out by the policy by placing an onus of evidence for each purpose upon the Cardholder.

3.2 Issue of Cards

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

Before a card is issued, each cardholder must sign the Corporate Credit Card Agreement confirming that they have read and fully understood and will be bound by this policy and associated procedures.

Once the card is issued, the corporate credit card must be signed on the reverse side of the card.

The individual cardholder is responsible for the security and use of their card. The card is not to be used for any use other than what is outlined in this policy.

Upon termination of employment or office of Council, the credit card must be returned to Council with a full acquittal of expenses.

The General Manager has the right to terminate a card at any time.

3.3 Limitations

The cardholder is responsible for the safe custody and security of the card and liable for any misuse and associated costs. The cardholder is responsible for resolving use and transaction disputes and ensuring that use of the card is ethical and strictly in accordance with this policy.

Credit cards are provided strictly for business-related purchasing only. Cardholders must be able to justify and prove their purchasing decisions to Council in a manner that allows Council to be able to justify and validate their endorsement of purchasing decisions to auditors and the public.

Only the designated cardholder may use the credit card. The cardholder must not let any other person use the credit card assigned or account or record or share the credit card number, including other Council staff or elected members.

The cardholder may use their credit card to purchase work-related items on behalf of another Council staff or elected member, provided the expense is appropriate and approved in accordance with this policy.

Corporate credit cards shall only be used as follows:

3.3.1 For the carrying out of Council authorised business including reasonable travel, accommodation and meal expenses.

3.3.2 Purchases on the corporate credit card are to be made in accordance with 'Glamorgan Spring Bay Council's Code of Tenders and Contracts'.

3.3.3 Transactions for expenses that are budgeted for and have been demonstrably approved.

3.3.4 For the meeting of Council liabilities where it efficient to do so, a purchase order will need to be completed.

3.3.5 No private expenditure shall be incurred.

3.4 Approval of Credit Card Expenditure

3.4.1 Corporate credit card accounts are updated daily on the Xero system and must be reconciled within 7 days of the expenditure.

3.4.2 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.

3.4.3 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). The Mayor will regularly review the expenditure on the General Manager's card after it has been referred to MANEX.

3.4.4 Should approval of expenses be denied by the General Manager, recovery of the expense shall be met by the cardholder.

3.5 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.

3.6 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 General Manager of the loss or theft on the first available working day.

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

3.7 Breach of Principles

Any breaches of this policy by any cardholder, staff or elected member, depending on the nature and extent of the breach, may result in:

- Counselling and retraining in the policy and requirements;
- Reimbursement of costs to Council;
- Cancellation of card;
- Disciplinary action in accordance with Council's Disciplinary Procedure; or
- Referral to police or civil proceedings.

If any person becomes aware of policy breaches or misuse, report them immediately to the General Manager.

3.8 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.

In accordance with the Statutory Rules for Audit Panels, the council Audit Panel will review the internal controls which are in place for the payment of credit card purchases and will review this policy annually and if necessary recommend any required changes.

4. 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.

5. STATUTORY REQUIREMENTS

N/A

6. REFERENCES

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

7. 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 conditions of use of the Glamorgan Spring Bay Council Corporate Credit Card, as listed:

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/Senior Finance 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 General Manager 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)