

<b>Policy Reference Number:</b>	1.31
<b>Classification:</b>	General
<b>First Issued/Approved:</b>	
<b>Review Frequency</b>	After the general election – every four years
<b>Last Reviewed:</b>	9 June 2015 (Res 487/2015) 18 December 2018 (Res 247/2019) 11 December 2019 (Res 146/2020) 13 October 2021 (Res 108/2022)
<b>Next Review Date:</b>	October 2025
<b>Responsible Officer</b>	Manager Corporate Services & Finance
<b>Applicable Legislation:</b>	<i>Local Government Act 1999</i> (sections 124 & 125)
<b>Related Policies/Procedures/Documents</b>	<ul style="list-style-type: none"> <li>• Code of Conduct for Employees</li> <li>• Procurement Policy</li> <li>• Internal Financial Controls</li> <li>• Fraud &amp; Corruption, Misconduct and Maladministration Policy</li> </ul>

## 1. Purpose

The District Council of Robe recognises the use of credit cards is essential to efficient purchasing. This policy set out the control which applies to the allocation and use of corporate credit cards.

## 2. Legislative Context:

Whilst the use of credit cards is not a legislative matter, the incurring of expenditure on behalf of the Council is controlled by legislation and council policy and must be undertaken to ensure consistency with the following principles:

- 2.1 Expenditure shall be for Council business only.
- 2.2 All expenditure incurred on a corporate credit card shall be authorised by the Chief Executive Officer (except for the Chief Executive Officers Credit Card)
- 2.3 Authorised cardholders must ensure the principles of good governance, financial accountability and transparency, and sound procurement processes in accordance with Council policy.

## 3. Scope

This policy applies to elected members and staff who have been issued with a District Council of Robe credit card. The cardholder is responsible for the correct use at all times.

#### **4. Objectives**

- 4.1 Corporate credit cards are used by authorised council representatives to transact business in a more efficient manner
- 4.2 Corporate credit cards are encouraged in undertaking purchases of less than \$2,000 and for non-recurring suppliers.

#### **5. Limitations**

Corporate credit cards shall only be used as follows:

- 5.1 Corporate credit cards should not be used when there is an alternative form of procurement and payment available to the staff member at the time of purchase. i.e. raising purchase orders for the supply of goods and services.
- 5.2 Corporate credit card holders must follow the principles set out in the Council's procurement policy.
- 5.3 Cash advances are strictly prohibited.
- 5.4 Direct debit instalment transactions are not to be incurred, except for ongoing administrative based charges that receive prior authorisation from the Chief Executive Officer (such as Dropbox, Zoom )
- 5.5 Personal expenses of any kind are not to be incurred on a corporate credit card.
- 5.6 If by unintentional causes, personal expenses are incurred, the card holder must as soon as possible advise the Chief Executive Officer and reimburse Council.
- 5.7 A cardholder found to have used a card in contravention to the terms and conditions of use prescribed by the card provider or those stated in this policy may be subject to disciplinary action.
- 5.8 Cards are not to be linked to any form of the loyalty program.

#### **6. Transaction Methods**

Transactions shall be incurred on the following basis, without exception:

- 6.1 EFTPOS transactions shall be allowed on condition that a receipt and tax invoice is received and provided to the Finance Officer
- 6.2 Telephone transactions shall be allowed; however, a receipt and tax invoice must be sought and provided to the Finance Officer
- 6.3 Internet transactions shall be allowed; however, a receipt and tax invoice must be sought and provided to the Finance Officer
- 6.4 If no supporting documentation is available, the cardholder will complete the 'Corporate credit card no supporting evidence declaration' detailing the nature of the expense. It must state on the declaration 'all expenditure is of a business nature, except for car parking where the credit card statement will be considered appropriate evidence.

#### **7. Credit Limit**

- 7.1 Credit limits applied to each corporate credit card shall be managed, and any changes authorised by the Chief Executive Officer in all cases.

## **8. Approval of Corporate Credit Card Expenditure**

- 8.1 All expenditure incurred on corporate credit cards shall be supported by a tax invoice and comply with the goods and services tax requirements.
- 8.2 All officers issued with a corporate credit shall provide and be responsible for producing supporting documentation.
- 8.3 All expenditure incurred on corporate credit cards apart from the card issued to the Chief Executive Officer shall be reviewed and authorised monthly by the Chief Executive Officer.
- 8.4 All expenditure incurred on the Chief Executive Officer's corporate credit card shall be reviewed and authorised monthly by the chair of the Audit and Risk Management Committee.
- 8.5 Expenditure incurred on corporate credit cards that are not supported by documentation and budgetary allocations may result in the expenditure being repaid to Council.

## **9. Management Of Cards**

All cards issued shall:

- 9.1 Be signed on the reverse side of the card upon receipt.
- 9.2 Not be used for any use other than outlined in this policy.
- 9.3 Be the responsibility of each person issued with a card, including the security of the card.
- 9.4 If a card is lost, it shall be reported immediately to the relevant bank by the holder and cancelled. The loss shall also be reported to the Chief Executive Officer.
- 9.5 Not to be used by any person other than the cardholder. The card issued to the Manager of Corporate Services and Finance is the only exception. This card may be used by administration staff, with the Manager Corporate Services and Finance's approval for general administration purchasing requirements where no other form of procurement is available.
- 9.6 Expired credit cards must be returned to the Manager of Corporate Services and Finance to ensure cards are destroyed by shredding.

## **10. Verification and Reconciliation**

- 10.1 The account holder will reconcile each transaction listed on the Credit Card statement by coding to the relevant General Ledger with matched taxation invoices/receipts.
- 10.2 The authoriser must check each transaction to ensure it follows Council's procurement guidelines as a genuine business expense before approving.
- 10.3 The Finance team will review and reconcile all corporate credit card transactions, checking for discrepancies or unauthorised activity.

## **11. Cessation of Employment / Term of Office**

Corporate credit cards shall be returned immediately on the cessation of employment and shall be cancelled by the Finance Officer on the date of the cessation of employment.

## **12. Issue of Corporate Credit Cards**

- 12.1 Corporate credit cards shall be signed for, using the form provided in Appendix 1, by the cardholder and the Chief Executive Officer (or for the Chief Executive Officer's card, the Mayor) and kept in Council's records system upon the issuing or reissuing of a card.
- 12.2 Corporate credit cards will be issued to:
  - Chief Executive Officer
  - Manager Corporate Services & Finance
  - Director Childcare Services
- 12.3 No other officers or members shall be provided with a corporate credit card without the express approval of the Chief Executive Officer.
- 12.4 It is noted that Council's Chief Executive Officer shall determine appropriate credit limits per clause 7.1.

## **13. Breaches of this Policy and Procedure**

Breaches of this policy will be investigated as potential breaches of council policy, and actions will be taken according to outcomes from an investigation.

## **14. Review of Policy and Procedure**

The effectiveness of this policy will be reviewed at least once during the term of Council by the Chief Executive Officer, who shall report to Council recommendations for alternations, amendments or substitutions of a new policy if required.

## **15. Availability of Policy and Procedure**

This policy will be available for inspection at the council office, on the council website [www.robe.sa.gov.au](http://www.robe.sa.gov.au) and persons may obtain a copy of this policy upon payment of the fee fixed by the Council.

## APPENDIX 1 – CREDIT CARD ISSUE FORM

NAME: \_\_\_\_\_

POSITION: \_\_\_\_\_

CREDIT CARD NUMBER: \_\_\_\_\_

DATE ISSUED: \_\_\_\_\_

CREDIT LIMIT ISSUED: \_\_\_\_\_

I hereby have read and understood Council's Credit Card Policy and shall abide by this document when expending council funds on the issued credit card.

I acknowledge that failure to abide by Council's Credit Card Policy may result in investigation and potential  
Disciplinary action.

Signed: \_\_\_\_\_

Title: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

Signed: \_\_\_\_\_

Title: Chief Executive Officer

Name \_\_\_\_\_

Date: \_\_\_\_/\_\_\_\_/\_\_\_\_