

CORPORATE CREDIT CARD POLICY

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1. OBJECTIVE

Shire of Roebourne Corporate Credit Cards are provided to members of staff to enable the purchase of goods and services.

The objective of this policy is to:

1. Provide a clear framework to enable the use of corporate credit cards
2. Provide staff issued with a Corporate Credit Card clear and concise guidelines outlining its use
3. Reduce the risk of fraud and misuse of the corporate credit card.

The application of this policy is to be in conjunction with the Shire of Roebourne Code of Conduct and any legislative requirements of the *Local Government Act 1995* that may be enforced.

2. PRINCIPLES

2.1 Usage

Shire of Roebourne Corporate Credit Cards shall be used only:

- For Council business activities
- When outside the Shire on business
- For the purchase of goods in accordance with Council's Purchasing Policy.

Shire of Roebourne Corporate Credit Cards do not have a cash advance facility and are not enabled with a personal identification number.

2.2 Eligibility and application procedures for new Corporate Credit Cards

Allocation of a corporate credit card can only be approved by the Chief Executive Officer, or in the case the card is for the Chief Executive Officer, approval is provided by the Shire President. Once approved the application must be signed by the cardholder and two (2) signatories to Council's bank accounts.

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

A credit limit of \$10,000 is to be applied to the Chief Executive Officer's corporate credit card.

A credit limit of \$10,000 is to be applied to corporate credit cards approved for other employees.

The cardholder shall acknowledge and accept conditions of use of the Shire of Roebourne Corporate Credit Card. Refer Attachment 1: Corporate Credit Cardholder Agreement.

2.3 Corporate Credit Card reconciliation procedures

2.3.1 Corporate Credit Card statement accounts will be issued to the relevant cardholder who will, within seven (7) days, acquit the transactions on the account. A template is attached to this policy identifying the reconciliation requirements.

2.3.2 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.

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- 2.3.3 Transactions shall be accompanied by a succinct explanation of why the expense was incurred.
- 2.3.4 Transactions shall be accompanied by an account/job number for costing purposes.
- 2.3.5 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 or Shire President for a decision. Should a lack of detail be a regular occurrence for a particular cardholder, the cardholder may be refused access to a credit card in the future. Use of a statutory declaration is for exceptional cases rather than the norm.
- 2.3.6 Should approval of expenses be denied by the Chief Executive Officer or the Shire President recovery of the expense shall be met by the cardholder.
- 2.3.7 The cardholder shall sign and date the credit card statement with supporting documentation attached stating 'all expenditure is of a business nature'.

2.4 Review of Corporate Credit Card use

- 2.4.1 The Creditors Officer 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 Chief Executive Officer or Shire President by the Manager Financial Services/CFO for a decision.
- 2.4.2 Quarterly reviews of expenditure shall be undertaken by the Chief Executive Officer and Manager Financial Services/CFO on a rotational basis to ensure the integrity of the purchases. External scrutiny of the credit card expenditure will also be encouraged as part of the external audit process of Council's finances.

2.5 Review of Credit Card Limits

Credit limits are reviewed annually for all cardholders. If there is a request for a variation to the monthly limit, a business case will need to be provided to the Chief Executive Officer for consideration.

2.6 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 Manager Financial Services/CFO of the loss or theft on the next working day.

Advice of a damaged card is to be provided to the Manager Financial Services/CFO who will organise a replacement card.

3. CONSEQUENCES

This policy represents the formal policy and expected standards of the Shire. Appropriate approvals need to be obtained prior to any deviation from the policy. It is imperative that Councillors and Officers retain appropriate documentation to substantiate their expenditure. Elected Members and Employees are reminded of their obligations under the Shire's Code of Conduct 2011 to give full effect to the lawful policies, decisions and practices of the Shire.

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4. ROLES AND RESPONSIBILITIES

4.1 Corporate Credit Cardholders responsibilities

- 4.1.1 Ensure corporate credit cards are maintained in a secure manner and guarded against improper use. Credit card details are not to be released to anyone. Credit card purchases are to be through the Cardholder.
- 4.1.2 Corporate credit cards are to be used only for Shire of Roebourne official activities, there is no approval given for any private use.
- 4.1.3 All documentation regarding a corporate credit card transaction is to be retained by the cardholder and produced as part of the reconciliation procedure.
- 4.1.4 Credit limits are not to be exceeded. Where credit limits are to be exceeded, Financial Services is to be notified so appropriate steps can be taken to ensure sufficient funds are available or balances are refreshed.
- 4.1.5 The use of the credit card shall not be tied to any type of reward system that provides cardholders with any personal benefit or reward.
- 4.1.6 Purchases on the corporate credit card are to be made in accordance with the Shire of Roebourne Procurement Policy.
- 4.1.7 Monthly reconciliations of the credit card purchases are to be completed within seven (7) days of the date of the corporate credit card statement being issued by Financial Services with all reconciliation dockets attached to equal the balance of credit used.
- 4.1.8 Corporate credit cards are to be returned to the Manager Financial Services/CFO on or before the employee's termination date with a full acquittal of expenses.
- 4.1.9 All cardholder responsibilities as outlined by the card provider.

5. REFERENCES to RELATED DOCUMENTS

- Code of Conduct – May 2011
- CF-6 Purchasing Policy
- *Local Government Act 1995*
- *Goods and Services Tax Act 1999*

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Next Reviewed:	February 2015
Responsible Officer:	Manager Financial Services/CFO

This Policy takes effect from the date of adoption by Council and shall remain valid until it is amended or deleted.

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ATTACHMENT 1

Corporate Credit Cardholder Agreement

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

Conditions of Use

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 Shire of Roebourne official activities, there is no approval given for any private use unless in accordance with a salary sacrifice agreement.
3. All documentation regarding a corporate credit card transaction is to be retained by, or provided to, the cardholder and produced as part of the reconciliation procedure.
4. Credit limits are not to be exceeded.
5. The use of the credit card shall not be tied to any type of reward system that provides cardholders with any personal benefit or reward.
6. Observe all cardholder responsibilities as outlined by the card provider.
7. Purchases on the corporate credit card are to be made in accordance with Shire of Roebourne's Purchasing Policy.
8. Monthly reconciliation of credit card purchases is to be completed on the supplied template within seven (7) days of the date of the credit card statement being issued.
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.
10. Transactions shall be accompanied by a succinct explanation of why the expense was incurred.
11. Transactions shall be accompanied by a job number for costing purposes.
12. 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 or Shire President for a decision. Regular failure to provide documented records may result in the card being forfeited.
13. Should approval of expenses be denied by the Chief Executive Officer or the Shire President recovery of the expense shall be met by the cardholder.
14. The cardholder shall sign and date the corporate credit card statement with supporting documentation attached stating 'all expenditure is of a business nature' or approved salary sacrifice.
15. Lost or stolen cards shall be reported immediately to the card provider and a written account of the circumstances shall be provided to the Manager Financial Services/Chief Financial Officer on the next working day.
16. Corporate Credit Cards are to be returned to the Manager Financial Services/Chief Financial Officer on or before the employee's 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 Roebourne Corporate Credit Card Policy any liability arising from the use of the card may be passed to the cardholder.

The use of a Shire of Roebourne Corporate Credit Card is subject to the provisions of the Code of Conduct of Shire of Roebourne. Serious transgression of the above listed responsibilities or the Code of Conduct may result in an appropriate referral under the *Corruption and Crime Commission Act 2003* and/or termination of employment.

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Signed: (cardholder)

Date: (insert date)

Witness Name: (insert name)

Witness Signature: (signature)

Date: (insert date)

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ATTACHMENT 2

CORPORATE CREDIT CARD RECONCILIATION TEMPLATE

Cardholders Name: _____

Period Ended: _____

All expenditure items must be listed:

Date	Supplier	Reason for Expenditure	Tax Invoice Supplied Yes/No**	Amount	Costing Allocation

I certify that all the purchases are of a business nature.

Cardholder Signature: _____

Date: _____

Approving Officer: _____

**If no tax invoice is supplied a declaration of expenditure must be provided for consideration to the Chief Executive Officer or Shire President.