



Policy Title: CREDIT/DEBIT CARD POLICY

Policy Type: FINANCIAL
(Statutory, Financial, Administrative, Human Resources)

Policy Number: F003

Approved by Council	Last Review	Current Review	Next Review
	19 May 2020	5 October 2021	May 2022
	Resolution #	Resolution #	Resolution #
	20.6632	21.7088	
Approved by CEO/Director:	Bernie McCarthy – CEO	 Signature.	
Effective Date	6 October 2021		
Implementation Department		Officer Position	
Corporate Services		Director Corporate Services	
Revision Number:	Document Management File #.		
5.0	01-03-S009		

1. POLICY BACKGROUND/SCOPE:

This policy is to provide guidelines on the responsible use of Credit/Debit Cards issued to Councillors and senior officers of Council.

The intent of this policy is to document the procedures and controls applying to the use of credit cards including the accumulation and use of frequent flyer points.

2. POLICY

PROVISIONS:

The Card

The Credit/Debit card shall only be issued by the Bank where the majority of Council's business accounts are held. The current card is a "Mastercard" facility held with the Bendigo Bank of Australia.

Each card issued will have an expenditure limit recommended from time to time by the Chief Executive Officer as appropriate for the position of the holder of the card and approved by the Council.

The Credit/Debit card is for use as outlined and to facilitate an efficient payment method. It is not for personal use of any sort.

Ownership/Responsibility for the Card

Credit Cards are issued to:

1. Chief Executive Officer
2. Director of Corporate Services
3. Finance Manager

The credit limit across the three cards is \$10,000.

The appointed holder of the Card is wholly and solely responsible for the safekeeping of the card and the expenditure incurred on the card.

The Credit/Debit card may be lent to another staff person (excluding external persons) for the purpose of carrying out a transaction, but only in circumstances authorised by the holder of the card. (**See Below*)

If a Personal Identification Number (PIN) is issued with the card, the appointed holder of the card must never divulge this number to another person.

A new PIN must be provided with each new card issued for whatever reason.

Use of the Card

The use of all credit cards is limited solely to purchases directly for official Council business.

Master Cards are to be used generally for official Council business in relation to:

1. Travel and Accommodation
2. Attendance at seminars, conferences and training courses
3. Purchases of goods and services for Council's budgeted works including fuel for Council Vehicles.
4. Entertainment in accordance with Council Policy
5. Payment of Council's Accounts payable when an order is not available or appropriate.
6. Online purchases where no other payment method is available such as Police checks, 7. Woolworths and some IT purchases
7. No Alcohol is to be purchased on any of the Credit Cards
8. The card is not to be used for Cash Advances
9. No Payment will exceed or allow the limit of the card to be exceeded.

Process for Use

The Finance Managers credit card is to be used to make most of the Council purchases and act as Council's Corporate card. It is to remain in the Cairns safe until a qualifying purchase request is made.

It is then the role of the Purchasing Officer to progress the purchase once the credit card authorisation form and invoices are received and return the card to the finance manager following any purchases.

The other two credit cards are to be used for mostly emergency purchases, however must have the same initial paperwork attached to validate the transactions. That being a credit card authorisation form and an invoice.

*If a card is given to another staff member to undertake a specific authorised transaction

e.g. to arrange travel to a conference, the holder of the card must authorise that transaction. A form authorising the transaction is to be completed and signed by the card owner.

If a card is lost or stolen, the holder will immediately refer the matter to the Finance Manager to report the matter to the Bank and arrange to have the Card cancelled.

If a "Frequent Flyer" or other reward programme is attached to the use of the card, such reward points is considered to be the property of the Council and may be used for Council purposes only. Should the holder of a card be identified as using the reward for personal gain, the card will be removed from their possession.

Reconciliation of the Expenditure

When the holder of the card undertakes a purchase, they must receive a tax invoice and tax receipt for that transaction. This receipt is then used by Accounts Payable to reconcile the charge against the statement from the Bank. These receipts must be provided to the Accounts payable officer as soon as possible and attached to the credit card authorisation form.

If a receipt has not been obtained, a statutory declaration is required to be completed by the holder of the card stating that the transaction was legal, legitimate and in accordance with Council policy.

The reconciled statement and receipts must be authorised by the Finance Manager and then entered into the system for payment.

All credit card purchases/transactions must be independently verified every month by someone other than the credit card holder.

The Credit Card Authorisation form must not contain full details of the credit card on the form

Termination of Employment

The Council credit card must be returned immediately upon termination of employment.

Dispute of a Transaction

If there is a dispute over a charge on the statement then the matter will be investigated by the Finance Manager in accordance with Council's *Grievance policy*. Should it be proved that the transaction was not for official Council purposes, the holder of the card will be responsible for reimbursing Council the amount of that transaction and maybe liable for disciplinary action in accordance with Council's policy.

If it can be proved that the card was used illegally, the matter will be reported to the Police.

4. RELATED DOCUMENTATION:

- *Council's Code of Conduct*
- *Councils Fraud and Corruption Prevention Policy*
- *Councils Disciplinary Policy*
- *Councils Entertainment and Hospitality Policy*
- *Councils Procurement Policy*
- *The Local Government Regulation 2012*