

Corporate Credit Card Policy

Policy Approval and Distribution

Approved by	Council resolution
Responsible Officer	Tim Swan, Manager of Finance
Council Service Unit	Finance
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Version Control

Ref	Date	Description	Resolution Number
0.1	27-11-2018	Adopted by Council.	241/2018

Purpose

The policy is to ensure effective controls, policies and procedures are in place with respect to the use of Corporate Credit Cards.

Principles

- To ensure transparency in Council's operations concerning the use of Corporate Credit Cards
- To ensure Council's resources are managed with integrity and diligence.

Objectives

- Fulfil all statutory requirements of the Local Government Act with respect to the use of Corporate Credit Cards
- To adopt best practice in developing a clear and comprehensive policy on the use of Corporate Credit Cards

Scope

This policy applies to all Council staff issued with a Council credit card and staff with a financial delegation.

Related CGRC Policies and Procedures

- Code of Conduct
- Procurement Policy and Procedure

Review Period

This document is to be reviewed every two (2) years to ensure that it remains relevant and meets legislative requirements.

Policy Statement

Corporate credit cards have been implemented to allow the Council to transact its business in a more efficient manner and at the same time provide Council Officers with a more convenient method to meet costs they incur on Council's behalf.

Corporate credit cards should be recognised as a valuable tool for the efficient and effective operation of Council's daily business and not as a benefit assigned to specific individuals. The use of corporate credit cards provides savings in staff administration time in matters such as arranging transport, accommodation and registration for attendance at conferences and by eliminating the need for overseas bank drafts for certain purchases. It also reduces the high number of creditor creations that are required for one-off purchases.

Corporate Credit Cards also save time and paperwork in making purchases while still maintaining control of purchases through the monthly reconciliation process as well as minimising the need for Council staff to use their private credit card to conduct Council business.

Corporate Credit Cards should not be used when there is an alternative form of payment which aligns with the normal purchasing process through Council's Corporate Finance system.

Staff members are not to use their private credit card to conduct Council business over the amount of \$100 in any one transaction.

Procedure

Issuing of Cards

The General Manager has delegated authority to authorise the issuing of corporate credit cards to staff.

Before a staff member of Cootamundra-Gundagai Regional Council (CGRC) can become a cardholder it will be necessary for that person to provide adequate proof of identity to satisfy the Bank's requirements of at least 100 identification points. Details of documents that can be used for identification are available from the Finance Section.

Council's bank requires that a 'Corporate Credit Card New Cardholder Details' form is completed and applicants will be provided with this form by the Finance Section.

The Finance Manager will be responsible for obtaining approval of the General Manager for the issue of a card and this will be recorded on a "Cardholder Approval and Acknowledgement" form (Attachment 1). Each cardholder will be required to sign this form on receipt of the corporate credit card and acknowledge these policies and procedures.

Monthly Limit and Authorisations

Each corporate credit card will have a monthly limit on expenditure and the expenditure is to be authorised by the staff members immediate manager (subject to that manager possessing the requisite financial delegation), or the General Manager or Deputy General Manager as appropriate.

The General Manager's Corporate Credit Card must only be authorised by the Mayor.

Restrictions

Corporate credit cards are for official Council business and are not to be used for personal expenses under any circumstances.

Corporate credit cards should only be used for purchases of fuel for Council vehicles in an emergency. Staff should use their vehicle's fuel card for normal fuel purchases.

Use of the corporate credit cards for purchases over the internet should be restricted to trusted secure sites.

The cardholder will be personally liable for expenditure that cannot be shown to be related to the business of CGRC.

How Do I Use It?

Corporate credit cards are to be used as a normal credit card, with the valid PIN required to make any purchase.

No cash advances are available from automatic teller machines or over the counter and BPay facilities are not available.

The card is not to be linked to any form of award points and any personal award card or membership should not be used in conjunction with the use of the corporate credit card.

A tax invoice is required to be obtained for every purchase made. This is required in reconciliations of the Corporate Credit Card statement at the end of each month. The purpose of the purchase should be recorded on the tax invoice.

If a transaction is done by telephone or by mail order, the cardholder will need to ensure that an appropriate tax invoice is obtained from the supplier and included with the monthly reconciliation.

Tax invoices must contain the components in order to comply with taxation law and allow Council to claim an input tax credit for the GST paid.

All details of the purchase, including tax invoices are required to be obtained and retained to support the appropriate allocation of purchases at the end of each month.

Use of a corporate credit card will require the user to abide by Council's purchasing policies including purchasing from Council's preferred suppliers wherever possible.

If the corporate credit card is used to purchase software, especially if purchasing through the internet, it is necessary to liaise with and gain agreement of Council's Manager Business to ensure the software is compatible and is capable of effective support and maintenance.

The credit limit of the individual cards is not to be exceeded.

The remaining credit limit can be ascertained at any time by contacting Council's bank. The contact number can be found on the back of the card.

Payment of Monthly Account

The outstanding balance of each corporate credit card will be automatically debited to Council's bank account at the end of the month.

Reconciling Monthly Statements

- 1) Each cardholder will be issued with a monthly statement listing all their transactions. It is the responsibility of the cardholder to match their supporting documentation to the monthly statement.
- 2) When the monthly statement is received, a check is required to ensure all purchases that are supported by invoices retained.
- 3) Record next to each transaction; if not recorded on the Tax Invoice:
 - The reason for the purchase e.g. *LGMA Conference – accommodation deposit – 5/11/2018 Canberra.*
 - The account number the purchase is to be charged against.

- 4) Attach tax invoices for all the purchases with GST and normal invoices for purchases without GST.
PLEASE NOTE:
Tax invoices are necessary to enable Council to claim back the GST each month.
- 5) For FBT purposes, expenses relating to the provision of entertainment, including food and beverage, must provide details of the total number of staff who attended, and the total number of attendees.
- 6) Sign and date the monthly corporate credit card statement at completion of the reconciliation.
- 7) The monthly corporate credit card statement, with all invoices attached, should then be authorised by the appropriate person as described in the monthly limit and authorisations section of this policy.
- 8) The corporate credit card statement and all attachments are then to be sent to the Finance Section. This must be done within seven days of receiving the statement.
- 9) After processing, all corporate credit card statements will be kept by the Finance Section.
- 10) A periodical review of the supporting documentation in respect of the monthly corporate credit card statement may be undertaken under Council's Internal Audit Program or by Council's external auditor.

Disputed Purchases

Council is responsible for paying all accounts on the monthly corporate credit card statements and the bank will debit this amount to the Council's bank account at the end of the month.

The Finance Section is to be notified of all disputed transactions. The cardholder must complete the "Disputed Transactions" form and include it with the monthly reconciliation (Attachment 2).

When a dispute occurs, the cardholder should attempt to correct the situation with the merchant. In many cases a simple telephone call can clear up a problem without any delay. If unable to correct the situation, contact the Finance Section. The Finance Section will attempt to resolve the matter and may have to contact the bank for assistance.

The bank can assist with resolving some disputes with merchants, particularly those involving duplicated charges, non-receipt of goods ordered or credits not processed after refund vouchers have been issued.

Terminating or Ceasing Employment

Should a staff member issued with a Corporate Credit Card no longer requires it or they are leaving the services of Council, they are to return the card to their direct supervisor or the Finance Section no later than the last day of employment.

Reporting Lost or Stolen Cards

If a card is lost or stolen it is the cardholder's responsibility to immediately telephone Council's bank to report the loss.

Council's bank can be contacted 24 hours a day, 7 days a week. The Finance Section will have the phone number.

The Finance Manager should be contacted immediately and advised by the next business day and the cardholder should then complete a "Lost or Stolen Cards" form (Attachment 3) and forward it to the Finance Section.

A replacement card will be arranged and issued upon receipt from the bank.

Replacement Cards

The card is valid for the period shown on the face of the card and Council's Bank will automatically reissue replacement cards to the Finance Section one month prior to the expiry date. The Finance Section will then distribute to the cardholder.

Should the cardholder require a replacement card that has been lost or stolen, they will need to complete a Replacement Cards form and sign the form (Attachment 4) on receipt of the new card.

Implementation

The Finance Manager is responsible for the implementation of this policy.

Attachments

Attachment 1 Cardholder Approval and Acknowledgement

Attachment 2 Disputed Transactions

Attachment 3 Lost or Stolen Cards

Attachment 4 Replacement Cards



Attachment 1

Corporate Credit Card Cardholder Approval and Acknowledgement

<u>Approval</u> Cardholder's Name:	
Position:	
Credit Limit (Monthly): \$	
General Manager's	
Signature:	Date:

<u>Acknowledgement</u> I acknowledge receipt of the Cootamundra-Gundagai Regional Council Corporate Credit Card and agree that: <ol style="list-style-type: none">1. I will not use the Corporate Credit Card, nor permit it to be used, other than for official Council purposes.2. I will ensure security of the Corporate Credit Card at all times and will not permit the card to be used by any other person.3. If the Corporate Credit Card is lost or stolen, I will immediately report it missing to Council's bank and will also inform the Finance Manager.4. If my position with Cootamundra-Gundagai Regional Council changes or my employment terminates, or I am asked to surrender the card for any other reason, I will immediately return the card.5. I will retain all original supporting documentation that meets the requirements of a tax invoice for presentation to the relevant authorising officer.6. I will ensure that all Work Health & Safety requirements are complied with for all purchases. <ol style="list-style-type: none">1. If I misuse the Corporate Credit Card (i.e. use it in a manner otherwise that in accordance with the instructions provide) I may be liable for disciplinary action in accordance with Council's Code of Conduct.

Card No:	Expiry Date:
Signature of Cardholder:	Date:
Witness Name (Print):	Signature:

Attachment 2

Corporate Credit Card Disputed Transactions

Note: This form is to be completed and forwarded to the Financial Section with monthly reconciliation

Corporate Credit Card No:	
Cardholder's Name:	Date:

Transaction Date	Supplier	Reason for Dispute	Amount

Attachment 3

Corporate Credit Card Lost or Stolen Cards

Note: This notification is on the loss or theft of a Cootamundra-Gundagai Regional Council Corporate Credit Card. You are requested to telephone Council's bank immediately the loss is discovered. The Finance Manager should be advised on the first business day and the following information completed.

Details (Cardholder to complete)	
Corporate Credit Card No:	
Cardholder's Name:	
Reason for loss:	
Council's bank notified on (Date):	
Finance Manager notified on (Date):	
Cardholder's Signature:	Date:

Financial Control (Chief Financial Officer to complete)	
Council's bank notified:	
Corporate Credit Card Register updated:	
New Card No:	
Date Received:	Signature:

Corporate Credit Card Replacement Cards

Details (Cardholder to complete)	
Old Corporate Credit Card No:	
Cardholder's Name:	
Reason for replacement:	
Cardholder's signature:	Date:

Financial Control (Chief Financial Officer to complete)	
Council's bank notified:	
Corporate Credit Card Register updated:	
New Card No:	
Date received:	Signature: