



POLICY NO.	CPFM6
POLICY TITLE	Corporate Credit Card Policy
STATUS	Council
SERVICE	Financial Management
DOCUMENT ID	378449

PURPOSE

The purpose of the policy is to:

- Ensure transparency in Council's operations concerning the use of Corporate Credit Cards;
- Ensure Council's resources are managed with integrity and diligence;
- Ensure effective controls, policies and procedures are in place for the use of Corporate Credit Cards.

APPLICABILITY

The policy applies to all staff that hold or have access to a corporate credit card.

SCOPE

The policy applies to the General Manager and staff issued with a credit card.

DEFINITIONS

Responsible Accounting Officer	A member of staff designated by the General Manager to be responsible for undertaking the prescribed financial duties defined in the <i>Local Government (General) Regulation 2021</i> .
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BACKGROUND

Corporate credit cards are a routine aspect of accounts payable management and procurement for local government councils and public sector organisations.

Corporate credit cards are a valuable tool for the efficient and effective operation of Council business and not as a benefit assigned to specific individuals. The use of corporate credit cards will create savings in staff administration time in matters such as arranging transport, accommodation, training registration and for online payments for government charges and subscriptions.

Credit cards must be subject to appropriate controls in order to protect council funds, maintain the integrity of governance processes and maintain public confidence in Council operations. All local government Councils are obliged to maintain an effective system of internal control, in accordance with the Local Government (General) Regulation 2021 and to address the significant risks of fraud and misuse of corporate credit cards.

The use of credit cards is not intended to avoid or bypass established governance procurement procedures, but is to be used in accordance with the Policy Guidelines established to complement existing procurement and payment procedures.

POLICY GUIDELINES

1. OBJECTIVES OF THIS POLICY

- 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.

2. ISSUING OF CARDS

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

The delegated Responsible Accounting Officer will be responsible for the issue of a card in accordance with the requirements of this policy, and this will be recorded on a “Cardholder Approval and Acknowledgement” form (Attachment 1). This also includes responsibility for training credit card holders with regards to the associated procedures for the administration of this policy.

Each cardholder will be required to sign this form on receipt of the corporate credit card and acknowledge these policies and procedures.

3. MONTHLY LIMIT

Each corporate credit card will have a monthly limit on expenditure as indicated in the following table.

POSITION TITLE	EXPENDITURE AUTHORISATION
General Manager	\$10,000
Director Finance, Procurement & Projects	\$10,000
Director Infrastructure & Environmental Sustainability	\$5,000
Director People & Culture	\$5,000
Manager Communication & Events	\$3,000
Manager Digital & Customer Information	\$3,000

4. RESTRICTIONS

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

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 Hunter’s Hill Council.

5. HOW ARE THE CORPORATE CREDIT CARDS TO BE USED?

Cash advances are not permissible on Council issued corporate credit cards.

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.

If a transaction is done by telephone or internet, 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.

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

6. RECONCILING MONTHLY STATEMENTS

Within five (5) working days of receiving the credit card statement:

- Each cardholder will be issued with a monthly credit card statement listing all their transactions. It is the responsibility of the cardholder to match their supporting Tax Invoices to the monthly statement.
- The cardholder (credit card custodian) is responsible for reconciling the credit card statement (refer to reconciliation form at Attachment 2), with all invoices/receipts attached and signing the reconciliation form and credit card statement.
- If an invoice or a receipt cannot be provided, then as much detail regarding the transaction must be provided, to be used to support the payment when required. (Date, Company, Address, ABN, Amount, any GST included).
- The description of each transaction must be detailed, examples of what to provide is listed below:

Type	Description Examples
<i>Training and Education</i>	Course name, employee name, dates, location.
<i>Travel (Flights, Taxi Fares)</i>	Reason for taxi fare (e.g. training course), employee name, dates.
<i>Meals (Meetings/training)</i>	Where, why meal has occurred, employee/councillors name.
<i>Subscriptions</i>	What subscription is for and length of time

- If a lack of supporting information or detailed explanation is a regular occurrence, the cardholder may be refused access to a credit card.
- Transactions must be accompanied by the budget activity number/GL Code for costing purposes and, where applicable, the project number.
- All transactions requested by officers other than the cardholder, must also be noted on the Reconciliation Form. It is the cardholder's responsibility to ensure officers have the appropriate delegated authority to procure these transactions (further information can be

found in the Hunter's Hill Council Procurement Manual. If the cardholder needs further guidance, the Finance Section will confirm whether a staff member has the appropriate delegated authority).

- The signed corporate credit card statement and all supporting documentation are to be given to the Responsible Accounting Officer for certification. The Responsible Accounting Officer's statement will be certified by the General Manager. The General Manager's signed corporate credit card statement and all supporting documentation will be provided to the Mayor for certification.
- Once certified, all documentation is to be submitted to the Finance Department for processing.

7. Expenditure Acquittals and Reviews

Acquittal and review of credit card transactions are an important internal control for council. In the first instance, acquittals will be undertaken by a Cardholder to compare expenditure with the statement provided by the Card Issuer to their supporting documentation to ensure that transactions are accurate. This process should be completed as soon as possible and, if possible, within 30 days of advice from the Card Issuer to allow any disputed transactions to be reported to the Card Issuer in a timely manner.

8. Responsibility of the Reviewing Officer

The reviewer (and certifier) of the credit statement and submitted reconciliation form, will be responsible for forming a view on whether the expenditure incurred was for business purposes, and was consistent with the Cardholder's responsibilities and activities. The reviewer should assess whether:

- the expenditure incurred was appropriate for the purpose and reasonable in accordance with requirements set out in this policy
- all necessary supporting documentation has been attached
- financial systems ledger costings information aligns with the description of the type of expenditure provided.

RELATED POLICIES/PROCEDURES

Procurement & Contract Management Policy

Procurement Manual

Office of Local Government Guideline on the Use and Management of Credit Cards (issued section 23.a of the *Local Government Act 1993*).

POLICY AUTHORITY

Council. For minor amendments – Responsible Accounting Officer.

GETTING HELP

Finance section.

REVIEW

This policy to be reviewed each term of Council or with any changes to relevant legislation or Council policy.

ADOPTED BY COUNCIL:

DATE: 24 July 2023

RESOLUTION NO: 137/23

VERSION CONTROL TABLE

DATE	VERSION	RES. NO.	KEY CHANGES	AUTHOR
27.11.17	1.0	347/17	Initial Policy	Mark Smith
10.02.21	2.0	Minor	Minor amendment – positions updated	Maria Kenny
22.07.21	3.0	GM delegation	A/GM approval issue Manager People & Culture	Nick Tobin
18.01.23	4.0	GM delegation	A/GM approval issue Manager Communication & Events. Position and legislative titles updated.	Maria Kenny
24.07.23	5.0	137/23	Review of Policy in accordance with the requirements of Guideline on the Use and Management of Credit Cards issued under 23a of the <i>Local Government Act (1993)</i>	Maria Kenny

ATTACHMENT 1

CORPORATE CREDIT CARD

CARDHOLDER APPROVAL AND ACKNOWLEDGMENT



APPROVAL

Cardholder's Name:	
Position:	
Credit Limit (Monthly): \$	
Approval officer name:	
Signature:	Date

ACKNOWLEDGEMENT

I acknowledge receipt of a Hunter's Hill Council Corporate Credit Card and agree that:

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 staff no do not have the appropriate delegated authority (refer to the Procurement Manual for further guidance).
3. If the Corporate Credit Card is lost or stolen, I will immediately report it missing to the Bank and Finance section.
4. I will notify the Bank and the Finance section, on awareness that an unauthorised transaction has occurred, at time of occurrence or at end of month reconciliation (whichever is the earliest).
5. If my position with Hunter's Hill Council changes or my employment terminates, or I am asked to surrender the card for any other reason, I will immediately return the card.
6. I will retain all original supporting documentation that meets the requirements of a tax invoice for presentation to the relevant authorising officer within Hunter's Hill Council
7. I will not misuse the Corporate Credit Card (i.e. use it in a manner otherwise than in accordance with the instructions provided), and agree that in the event of any such misuse I may be liable for disciplinary action.

Card Owner's Signature:	Date:
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ATTACHMENT 2 – Credit Card Reconciliation

NOTE: This form is to be completed and forwarded to Corporate Finance with the Tax Invoice for credit card transactions. In accordance with council policy, credit card holders have authority to make purchases for sections/functions within their reporting lines. The General Manager and Responsible Accounting Officer have delegated authority to authorise purchases across all service areas.

CREDIT CARD ACCOUNT HOLDER DETAILS

Cardholder's Name		Position	
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TRANSACTION DETAILS

Transaction Date	Supplier's Name	Amount (inc.gst)	Budget Activity No:	GL Code:	Project No:	Transaction Description / Reason for purchase:	Name & position title of requesting officer (other than the cardholder)

APPROVAL PROCESS

1. Complete form details in word version and save as a PDF.
2. Credit Card holder to sign this PDF reconciliation form and credit card statement
3. Forward to Assistant Accountant (with tax invoice/receipts attached).
4. For separation of duties, Credit Card Statement and Reconciliation form is certified by delegated officer in accordance with Hunter's Hill Council Credit Card Policy.

Signature	
Name of Authoriser	
DATE	