

Policy 4.13 Finance Corporate Credit Card

Reference/s Local Government Act 1995 s2.7(2)(a)and(b), Section 6.5(a)
Local Government (Financial Management) Regulations
1996 – r.5 and r. 11(1) (a)

Date Proposed/Adopted 17 February 2015 **Motion Number** 15022015

Reviewed and Amended	21 April 2022 6 October 2022
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This policy supports the delivery of the Shire of Cranbrook Vision

That the Shire of Cranbrook is a proactive, sustainable, safe, friendly and prosperous place to be

PURPOSE

To clearly define the parameters for the issuing and use of Corporate Credit Cards.

OBJECTIVE

- Provide a clear framework to enable the use of corporate credit cards
- Provide staff issued with a corporate credit card clear and concise guidelines
- Outline processes and controls for the effective management and monitoring of the use of corporate credit cards thereby reducing risk of fraud and misuse.

PURCHASING PRINCIPLES

- Corporate Credit Cards will only be issued to the Chief Executive Officer, the Executive Management Team, and the Community Emergency Services Officer who will be fully accountable for all purchasing decisions and the efficient, effective, and proper expenditure of public monies based on achieving value for money.
- Purchasing is to comply with relevant legislation, regulations, and requirements consistent with the Shire of Cranbrook’s policies and Code of Conduct.
- Purchasing is to be undertaken on a competitive basis where all potential suppliers are treated impartially, honestly, and consistently.
- The purchasing decision making process is to be transparent, free from bias and fully documented in accordance with applicable policies, audit requirements and relevant legislation.
- Corporate credit cards shall only be used for Council business activities and in accordance with Council’s Purchasing Policy.
- Under no circumstances shall a corporate credit card be used for cash withdrawals or personal expenditure.

ELIGIBILITY AND APPLICATION PROCEDURES

The issue of corporate credit cards and 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 card holder and two (2) signatories to Council's bank accounts.

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

A maximum credit limit of \$5,000 is to be applied to corporate credit cards approved for the Executive Management Team.

A maximum credit limit of \$2,000 is to be applied to the Community Emergency Services Officer.

The cardholder shall acknowledge and accept conditions of use of the Shire of Cranbrook's corporate credit card.

TRANSACTION EVIDENCE AND RECONCILIATION PROCEDURES

- Transactions shall be supported by a tax invoice or receipt that includes the date, company name, address, ABN, amount, and any GST amount included, along with the type and amount of goods purchased.
- Where an invoice or receipt is unable to be obtained, the cardholder shall provide a declaration detailing the nature of the expense. Approval of this expense is to be referred to the Chief Executive Officer.
- The authorised receipt/tax invoice must be provided to the Finance Officer as soon as practicable after the credit card purchase is made.
- The General Ledger/Job Number for allocation of the payment must be quoted on the receipt/tax invoice.
- Corporate credit card expenditures are to be reconciled monthly.

REVIEW OF CORPORATE CREDIT CARD USE

The Chief Executive Officer shall review the monthly corporate credit card expenditure and will be required to authorise and sign the reconciliation. The Shire President shall review the monthly expenditure of the Chief Executive Officer and sign the reconciliation.

The loss or theft of a corporate credit card must be immediately reported to the card provided regardless of the time or day discovered. The cardholder must also formally advise the Manager of Finance and Administration of the loss or theft on the next working day.

Damaged cards must be returned to the Manager of Finance and Administration who will organise a replacement card.

CANCELLATION OF CORPORATE CREDIT CARDS

Cancellation of a card may be necessary where the cardholder ceases employment with the Shire of Cranbrook or has a change in job role. Under such circumstances and as soon as practicable the card is to be handed to the to the Manager of Finance and Administration who will ensure the card is cancelled with the provider, destroyed and records updated.

ROLES AND RESPONSIBILITIES

Corporate Credit Cardholders responsibilities:

- 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 made by the Cardholder.
- Corporate credit cards are to be used only for Shire of Cranbrook official activities, there is no approval given for any private use.
- All documentation regarding a corporate credit card transaction is to be retained by the cardholder and produced as part of the reconciliation procedure.
- Credit limits are not to be exceeded.
- 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.
- Purchases on the corporate credit card are to be made in accordance with the Shire of Cranbrook's Purchasing Policy.
- Monthly reconciliations of the credit card purchases are to be completed within seven (7) days of the date of the end of month.
- Corporate credit cards are to be returned to the Manager Finance and Administration on or before the employee's termination date with a full acquittal of expenses.
- All cardholder responsibilities as outlined by the card provider

Chief Executive Officer

- Ensure compliance with this policy

Executive Management Team

- Ensure compliance with this policy

Community Emergency Services Manager

- Ensure compliance with this policy

Finance Officer

- Ensure the credit cards are reconciled monthly



CORPORATE CREDIT CARDHOLDER AGREEMENT

I, _____ (Name)

being the _____ (Position)

at the Shire of Cranbrook, acknowledge that I am in receipt of a Shire of Cranbrook Administration Corporate Credit Card and agree to abide by the following conditions:

- Ensure corporate credit cards are maintained in a secure manner and guarded against improper use.
- Corporate credit cards are to be used only for Shire of Cranbrook official activities, there is no approval given for any private use.
- 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.
- Credit limits are not to be exceeded.
- 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.
- Observe all cardholder responsibilities as outlined by the card provider.
- Purchases on the corporate credit card are to be made in accordance with Shire of Cranbrook's Purchasing Policy.
- 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 an input tax credit to be claimed where available/appropriate.
- Transactions shall be accompanied by a job number for costing purposes.
- If no supporting documentation is available, the cardholder will provide a declaration detailing the nature of the expense. Approval of this expense is referred to the Chief Executive Officer for a decision. Regular failure to provide documented records may result in the card being forfeited.
- Should approval of expenses be denied by the Chief Executive Officer, reimbursement of the expense shall be met by the cardholder.
- 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 of Finance and Administration on the next working day.
- Corporate Credit Cards are to be returned to the Manager Finance and Administration 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 Cranbrook's 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 Cranbrook corporate credit card is subject to the provisions of the Code of Conduct of Shire of Cranbrook. Any 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.

Signature of Cardholder: _____ Date: _____

Signature of CEO: _____ Date: _____



MISSING INVOICE/RECEIPT DECLARATION

Name (please print): _____

I certify that I made the purchase shown below and all expenditure was of a business nature but do not have a receipt for the following reason:

Supplier Name		
Address/Location		
Date of Purchase		
Detailed Description of Purchase	GL Code/Job No/Plant No	Amount (\$)
Total Purchase Amount		

This document is in lieu of an invoice or receipt for this transaction. I certify that all items listed above were purchased and received for Shire of Cranbrook business. I understand that a Missing Invoice/Receipt Declaration should be required only on rare occasions and may not be used on a routine basis.

Signature of Cardholder: _____ Date: _____

Signature of CEO: _____ Date: _____