

## Credit card use

<b>Policy, procedure, protocol</b>	Policy
<b>Document version</b>	V 4.0
<b>Date adopted by Council</b>	15 May 2018
<b>Minute number</b>	15.079/18
<b>File reference number</b>	ECM 2128418
<b>Due for review</b>	April 2021
<b>Documents superseded</b>	V 3.0 – 19/05/2015 – 14.094/15
<b>Related documents</b>	Sustainable Procurement Policy Councillor expenses and the provision of facilities for Councillors Staff Travel Expenses Protocol Credit Card (Corporate) Procedures
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<b>Section / Department</b>	Finance & Supply
<b>Linkage to Our Community Plan</b>	5 Leadership
<b>Objective</b>	5.2 We will have an effective and efficient organisation
<b>Strategy</b>	5.2.1 Operate in a financially responsible and sustainable manner

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## 1. Purpose

To regulate the use of corporate credit cards by Councillors and staff of Clarence Valley Council.

## 2. Policy statement

Clarence Valley Council issues corporate credit cards to the Mayor and senior staff (and to other Councillors and staff at the General Manager's discretion) for use on Council business. This policy provides guidelines on the issue and use of such cards.

Clarence Valley Council views credit card usage as an efficient procurement method for large volume, low value and low risk purchases where other methods of payment are unavailable. The advantages of a corporate credit card are: an aid in cash management; reduction of risk in carrying cash; convenience; management and reporting on expenditure which will save time and money for the organisation.

## 3. Procedure

### 3.1 Issue of Credit Cards

The Mayor, General Manager and Directors shall be entitled to each have a corporate credit card. The issuing of credit cards to other staff or Councillors shall be at the General Manager's discretion.

Before being issued with a credit card, each eligible person must complete an application form.

Each cardholder will, when issued with the credit card, also be issued with a copy of the bank's conditions of use. These must be strictly adhered to by the cardholder.

### 3.2 Credit Limit

Corporate credit cards will have a credit limit which will be determined by the General Manager or Director of Corporate and Governance at the time of issue and reviewed on an as needs basis. A record will be maintained of authorised credit cardholders and their credit limits.

### 3.3 Use of Credit Cards

(a) Credit cards must only be used for Council business, including traveling expenses, training activities, hosting a council function and general purchases of goods and services. Purchases of goods and services must be in accordance with Council's *Sustainable Procurement Policy and Purchasing and Tendering Procedure*. Credit cards may be used for over-the-counter transactions or for e-commerce transactions either over the phone or via the internet.

(b) Notwithstanding (a) above, Councillors who are issued with a corporate credit card can only use it for traveling expenses and entertainment. Such expenditure must be strictly limited to Council business and must be in accordance with Council's *Policy on Councillors' Expenses and the Provision of Facilities for Councillors*.

- (c) Credit cards must not be used for
  - (i) private or non-official expenditure,
  - (ii) cash advances,
  - (iii) purchases that are beyond approved expenditure limits or entitlements,
  - (iv) the payment of fines, even where these are incurred while the cardholder is engaged in Council business.
- (d) Credit cards must only be used by the person whose name appears on it or with their express authority. Cardholders are responsible for every transaction incurred on their credit card.
- (e) It is not acceptable for cardholders to use their credit card for private expenditure with a view to reimbursing Council at a later date.
- (f) Cardholders must ensure that a transaction receipt is received for each transaction. Where possible, this should be a tax invoice. If a tax invoice is not available, cardholders should ensure that they note on the transaction docket sufficient details to identify the purchase and the purpose for it.
- (g) Cardholders are in a position of trust in regard to the use of public funds. Improper use of that trust may result in disciplinary or criminal proceedings being taken against the cardholder.
- (h) It is the cardholder's responsibility to ensure that their credit card is kept secure and to guard against improper use.
- (i) Council shall prepare procedures for the use of credit cards and, in particular, the reconciliation of expenditure.
- (j) Stolen or lost credit cards are to be reported immediately to the Manager of Finance & Supply or their delegate for cancellation.
- (k) On termination of employment, staff are required to return the credit card no later than the last day of employment.
- (l) Staff should immediately report suspected credit card misuse and fraudulent use of Council credit cards to the General Manager, preferably in writing.

#### **4. Breaches of Credit Card Use**

If there are any breaches of this policy or any related procedures, the Manager of Finance and Supply will refer those to the Director of Corporate and Governance for action, excluding a breach by the Director Corporate and Governance, which will be referred to the General Manager. If the breach involves the General Manager, the Director of Corporate and Governance will take appropriate action in consultation with the Mayor.