



Corporate Credit Card Policy

Classification:	Council policy
Review Frequency:	Once in the term of council
Last Reviewed:	December 2018
Review Due:	2022
Responsible Officer:	Senior Finance Officer Chief Executive Officer
Applicable Legislation:	Local Government Act 1999 (sections 124 & 125)
Related Policies/Procedures/Documents:	<ul style="list-style-type: none"> • Code of Conduct for Council Members • Procurement Policy • Financial Internal Controls • Fraud & Corruption Policy

1. INTRODUCTION:

The Kingston District Council recognises that the use of credit cards is essential to efficient purchasing. This policy sets out the controls which apply to the allocation and use of corporate credit cards.

2. SCOPE:

This policy applies to elected members and staff who have been issued with a Kingston District Council corporate credit card. The card holder is responsible for the correct use of the card at all times.

3. OBJECTIVES:

- 3.1 Corporate credit cards are used by authorised council representatives (as outlined at appendix 1), to transact business in a more efficient manner
- 3.2 The use of corporate credit cards is encouraged in undertaking purchases of less than \$2,000 and for non-recurring suppliers.

4. LEGISLATIVE FRAMEWORK AND PRINCIPLES

Whilst the use of credit cards is not a legislated matter, the incurring of expenditure on behalf of council is controlled by legislation and council policy and must be undertaken ensuring consistency with the following principles:

- 4.1 Expenditure acquired on corporate credit cards shall be incurred in the exercise of Council business only.
- 4.2 All expenditure incurred on a corporate credit card shall be authorised by the Chief Executive Officer.
- 4.3 Authorised card holders must ensure the principles of good governance, financial accountability and transparency, and sound procurement processes as outlined by council policy.

5. LIMITATIONS

Corporate credit cards shall only be used as follows:

- 5.1 Corporate credit cards should not be used when there is an alternative form of procurement and payment available to the staff member at the time of purchase, ie, raising purchase orders for supply of goods and services.
- 5.2 Corporate credit card holders must following the principles set out in council's procurement policy.
- 5.3 Cash advances and on-line direct debit transactions linked to corporate credit cards (ie PayPal, B-Pay, etc) are strictly prohibited.
- 5.4 Personal expenses of any kind are not to be incurred on a corporate credit card.
- 5.5 If by unintentional causes, personal expenses are incurred, the card holder will be personally liable for those transactions and will need to reimburse council for the personal expenses incurred.
- 5.6 A card holder found to have used a card in contravention to the terms and conditions of use as prescribed by the card provider, or those stated in this policy may be subject to disciplinary action.
- 5.7 Cards are not to be linked to any form of loyalty points program.

6. TRANSACTION METHODS

Transactions shall be incurred on the following basis, without exception:

- 6.1 EFTPOS transactions shall be allowed on condition that a receipt and tax invoice is received and provided to the Finance Officer.
- 6.2 Telephone transactions shall be allowed however a receipt and tax invoice must be sought and provided to the Finance Officer.
- 6.3 Internet transactions shall be allowed however a receipt and tax invoice must be sought and provided to the Finance Officer.

- 6.4 If no supporting documentation is available, the cardholder will provide a declaration detailing the nature of the expense and must state on that declaration 'all expenditure is of a business nature'.

7. CREDIT LIMIT

- 7.1 Credit limits applied to each corporate credit card shall be managed, and any changes authorised, by the Chief Executive Officer in all cases. The allocation of corporate limits is outlined at the appendix.
- 7.2 The overall corporate credit card limit for council shall not be changed without the authorisation and resolution of council.

8. APPROVAL OF CORPORATE CREDIT CARD EXPENDITURE

- 8.1 All expenditure incurred on corporate credit cards shall be supported by a tax invoice and in compliance with the requirements of the goods and services tax.
- 8.2 All officers and elected members issued with a corporate credit card shall provide, and be responsible for, the production of supporting documentation.
- 8.3 All expenditure incurred on corporate credit cards shall be reviewed and authorised monthly by the Chief Executive Officer.
- 8.4 Expenditure incurred on corporate credit cards that is not supported by documentation and budgetary allocations may result in the expenditure having to be repaid to Council.

9. MANAGEMENT OF CARDS

All cards issued shall:

- 9.1 Be signed on the reverse side of the card upon receipt;
- 9.2 Not be used for any use other than that outlined in this policy.
- 9.3 Be the responsibility of each person issued with a card, including the security of the card.
- 9.4 If a card is lost it shall be reported immediately to the relevant bank by the holder and cancelled. The loss shall also be reported to the Chief Executive Officer.
- 9.5 Not be permitted to be used by any person other than the card holder. The card issued to the Senior Finance Officer is the only exception and this card may be used by administration staff, with the approval of the Senior Finance Officer, for general administration purchasing requirements where no other form of procurement is available.
- 9.6 Expired credit cards must be returned to the Senior Finance Officer who will ensure cards are destroyed by shredding.

10. CESSATION OF EMPLOYMENT / TERM OF OFFICE

Corporate credit cards shall be returned immediately on the cessation of employment or term of office and shall be cancelled by the Finance Officer on the date of the cessation of employment.

11. ISSUE OF CORPORATE CREDIT CARDS

11.1 Corporate credit cards shall be signed for, using the form provided at appendix 2, by the card holder and the Chief Executive Officer (or for the Chief Executive Officer's card, the Manager of Corporate and Community Services) and kept in Council's records system, upon the issuing or reissuing of a card.

11.2 Corporate credit cards will be issued to:

- Mayor
- Deputy Mayor
- Chief Executive Officer
- Persons occupying a Management Position
- Team Leader Maintenance
- Kingston Caravan Park Management
- Senior Development and Compliance Officer
- Senior Finance Officer

11.3 No other officers or members shall be provided a corporate credit card without the expressed approval of Council.

11.4 It is noted that Council's Chief Executive Officer shall determine appropriate credit limits as per clause 7.1, but shall not exceed the credit allocation to all cards unless approval is provided under clause 7.2 of this policy and procedure.

12. BREACHES OF THIS POLICY AND PROCEDURE

Breaches of this policy will be investigated as potential breaches of council policy and actions will be taken according to outcomes from an investigation.

13. REVIEW OF POLICY AND PROCEDURE

The effectiveness of this policy will be reviewed at least once during the term of council by the Chief Executive Officer who shall report to Council recommendations for alterations, amendments or substitutions of a new policy, if required.

14. AVAILABILITY OF POLICY AND PROCEDURE

This policy will be available for inspection at the council office, on the council website www.kingstondc.sa.gov.au, and persons may obtain a copy of this policy upon payment of the fee fixed by the council.

Appendix 1 – Allocation of Cards

Credit limits for authorised card holders are set out in the table below:

Position	Credit Limit
Chief Executive Officer	\$4,000.00
Manager Assets & Infrastructure	\$3,000.00
Manager Corporate & Community Services	\$3,000.00
Senior Development and Compliance Officer	\$2,000.00
Team Leader Maintenance	\$2,000.00
Mayor	\$2,000.00
Deputy Mayor	\$2,000.00
Kingston Caravan Park Managers	\$2,000.00
Senior Finance Officer	\$4,000.00
Maximum Council Authorised Credit Limit	\$24,000.00

Appendix 2 – Credit card Issue Form

Name: _____

Position: _____

Credit Card Number: _____

Date Issued: _____

Credit Limit Issued: _____

I hereby have read and understood council's Corporate Credit Card Policy and shall abide by this document when expending council funds on the issued credit card.

I acknowledge that failure to abide by council's Corporate Credit Card Policy may result in investigation and potential disciplinary action.

Signed: _____

Title: _____

Name: _____

Date: ____/____/____

Signed: _____

Title: Chief Executive Officer

Name: _____

Date: ____/____/____