



**CORANGAMITE
SHIRE**

Corporate Purchase Card Policy

Corangamite Shire

April 2019

Council Policy



Corporate Purchase Card Policy

Introduction

This policy sets out the guidelines and principles that need to be followed by the Mayor and Council officers who utilise a corporate purchase card.

Purpose

The objective of introducing purchase (credit) cards is to increase efficiency by reducing the cost, paperwork and time associated with purchasing goods and services. No purchase order needs to be completed when a credit card is used for the transaction.

Scope

This policy applies to any Councillor or Council officer who holds a corporate purchase card. It should be considered part of and should be read in conjunction with the Council Procurement Policy. It is considered that this Policy does not impact negatively on any rights identified in the *Charter of Human Rights and Responsibilities Act (2006)*.

Definitions

Council Business Expenditure – are bona fide business transactions that are required by a cardholder undertaking normal duties in the course of their employment with Council and would otherwise be undertaken by purchase order or petty cash.

Corporate Purchase cards – will be a credit card identified by the words Corangamite Shire. The card will be personalised and issued to the user to provide a clear audit trail. The name of the card holder is on the card.

Cardholder (Authorised Officers) – is any officer of the Corangamite Shire receiving authorisation to have a corporate purchase card issued in his or her name.

Personal Use/Personal transaction – any purchases intended for personal benefit. Purchase of any items not normally provided to a staff member in the course of their employment with Council.

Commbiz – Commonwealth Bank of Australia online banking system. This system is used to manage Council's purchase cards.

References

- Procurement Policy

Policy Detail

APPLICATION

- The authorising Manager completes the application form for an employee whose position and duties require the issue of a purchase card (Attachment A). The staff member must have a financial delegation under the Procurement Policy.
- The application is to be authorised by:
 - Appropriate Director
 - Finance Manager
- The employee must complete the “Council Corporate Credit Card Acknowledgement and Undertaking” (refer Attachment B) form before the use of the Card.
- All cards will be issued to cardholders by the Finance Manager, or delegated officer and the details of that card, together with signature acknowledging receipt must be immediately entered in the register of Credit Cards.
- Card limits are at the discretion of the Chief Executive Officer and must be no more than the officer’s financial delegation under the Procurement Policy and should reflect either anticipated requirements (new cards) or current requirements (existing cards).
- Card limits are to be reviewed at least annually by Manager Finance. Amendments to limits are to be recommended to the Chief Executive Officer for approval.
- Transaction limits are not to be greater than the available card limit.

CARD USE

- The card must be used for **Council business expenditure** only and in accordance with the *Local Government Act 1989*, the Council’s Purchasing Card Policy, and the Procurement Policy.
- The card must not be used for personal use or a personal transaction.
- The card must not be used for gratuities (or tips)
- The card must not be used for the withdrawal of cash through any facility, whether it is a Bank, ATM or EFTPOS facility.
- The card must not be used by officers other than the card holder, unless the card holder is a Manager or Senior Officer and infrequent use is requested by the officer and granted by the card holder.
- The cardholder shall not provide the card number or card pin to another officer for the purposes of undertaking transactions.
- The card must not be used for fuel purchases unless the Fuel Card is unable to be used.
- The cardholder must retain all tax invoices and/or receipts and maintain any other records of their transactions to facilitate reconciliation and costing of transactions for that card.
- The cardholder must take strict care to maintain the security of their card, ensuring that it is kept in their possession at all times and not left in any place from which it may be taken.

The cardholder must return their card to the Finance Manager, or delegated officer, prior to periods of extended leave (any period in excess of four weeks), re-assigned to a new position where the use is not required or where their employment is terminated with the Corangamite Shire.

RESPONSIBILITIES

Cardholders

The individual cardholder is responsible for:

- The safe keeping of the card and the prompt reporting to their respective manager and the Finance Department if the card is mislaid or stolen.
- Ensuring that the card is only used within the approved limits attributed to that particular purchase card and within the approved budget.
- Returning the card to the Finance Manager or other person designated by the Corangamite Shire during periods of leave, upon transfer to a position not requiring a credit card or upon the termination of their employment with the Shire.
- Registering all tax invoices, dockets and other support documentation in TRIM under their respective folder and maintain these documents in accordance with Council Procedures.
- Completing the credit card allocation process within TechOne to facilitate prompt costing and authorisation of credit card transactions, with an accurate description of goods or services purchased.
- Reporting any disputed transactions to their manager and the Finance Department to allow for the prompt resolution of any errors or misuse.
- Completion of Annual Acknowledgement and Undertaking declaration.

Managers, Directors and CEO

Managers, Directors and CEO are responsible for:

- The initial approval of applications for purchase cards by employees within their area of responsibility.
- Ensuring that each employee is made aware of and understands their individual responsibility associated with holding a purchase card.
- The prompt receipt, costing and authorisation of transactions for each cardholder within their area of responsibility.
- Ensuring all issues pertaining to disputed transactions are brought to the attention of the Finance Department.

Finance Department

The Finance Manager (or his/her delegate) is responsible for:

- Ensuring the credit card register within Commbiz is maintained and accurate at all times.
- Safe custody of cards surrendered by employees during extended periods of leave.
- Coordination of Annual Acknowledgement and Undertaking declarations.
- Maintaining a register of purchase cards which should include the following details
 - Name of the cardholder
 - Card number
 - Date of issue
 - Card expiry
 - Delegation limit
 - Card limit
 - Transaction Limit
 - Cardholder agreement signed

Audit Committee

The Audit Committee is responsible for:

- Review of the Corporate Purchase Card policy as required.

TERMINATION OF USE

Once it has been established that a cardholder no longer requires a card, the card, together with all supporting documentation for any outstanding transactions and other relevant documentation must be forwarded to the Finance Manager who will update the Register of Cardholders within Commbiz.

Payroll shall not release any termination payments until appropriate clearances in respect of a cardholder's card have been obtained from the Finance Manager.

UNAUTHORISED USE

Unauthorised use means any instance of non-compliance with this policy, whether by the cardholder or another person and can involve:

- Unauthorised or inappropriate transactions made on a card; or
- Any other non-compliance with any direction or rules for card use, including use that, from the public perspective, has the potential to cause reputational risk to Council.

Unauthorised use will be subject to disciplinary action including the requirement for reimbursement by the employee of the expense.

Review Date

The next review of this document is scheduled for completion by the Manager Finance on or before 30 April 2020



CORPORATE PURCHASE CARD REQUEST/NOMINATION FORM

[Return completed form to Finance Department]

Nominated Card Holder: _____

Date of Birth: _____

Drivers Licence Number: _____

Position: _____

Directorate: _____

Department: _____

Predominant Purpose for Requesting the Card:

Nominated Card Holder (sign)

Name:

Date:

Manager Approval (sign)

Name:

Date:

Director Approval (sign)

Name:

Date:

Card Limit Requested: \$500 \$1,000 \$5,000 \$10,000 \$25,000 \$50,000

FINANCE USE ONLY

Date Request Received: _____

Financial Delegation (per policy): _____

Date Approved by Manager Finance: _____

Card Number Allocated: _____

Date Card Issued: _____

Signature of Card Administrator: _____

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CORPORATE PURCHASE CARD ANNUAL ACKNOWLEDGEMENT & UNDERTAKING

[Return completed form to Finance Department]

Nominated Card Holder: _____

Position: _____

Directorate: _____

Department: _____

ACKNOWLEDGMENT AND UNDERTAKING

I have read and understood the Corporate Purchase Card Policy and Purchase Card procedures manual. I agree that:

- ✓ I will only purchase within my delegated purchasing limit and within the approved budget;
- ✓ I will not use the Purchase Card for cash advances, personal expenditure;
- ✓ I will only purchase fuel when use of a fuel card is not issued or available;
- ✓ I will only use the Purchase Card for Council business expenditure;
- ✓ The Purchase Card is my responsibility and I will take strict care of the Purchase Card and if lost or stolen, will report it immediately to the Commonwealth Bank's Lost/Stolen Cards Unit and my supervisor;
- ✓ I will return the Purchase Card in the event of cessation of my employment;
- ✓ The Purchase Card remains the property of the Commonwealth Bank and can be cancelled at any time by the Commonwealth Bank;
- ✓ I will surrender the Purchase Card upon request by Council;
- ✓ I will process expenditure within TechOne MyPurchaseCards module within 7 days of receipt to facilitate prompt costing and authorisation of credit card transactions;
- ✓ I will scan and save Tax Invoices into TRIM and attach to transaction within TechOne MyPurchaseCards module for all the purchases I have made;
- ✓ Unsubstantiated expenditure may be deducted from any salary amounts owing to me.

Name

Signature

Date: / /
