



George Town Council

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# COUNCIL CORPORATE CREDIT CARD POLICY

**Policy No. 46 Version: 02**

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## Introduction

This Policy authorises the issue of a Council Corporate Credit Card to the General Manager.

The General Manager is delegated the authority to arrange Council Corporate Credit Cards for relevant members of staff.

Council Corporate Credit Cards are only to be used for purchases directly related to Council business.

Under no circumstances, with the exception of those mentioned below are personal purchases to be made using the Council credit card.

There may be times when hospitality related purchases include a personal component (ie meals whilst on official travel for an accompanying partner) and these costs will be recovered from the Cardholder).

Council Corporate Credit Cards should only be used for the purchase of fuel in emergency situations (Council obtains a substantial discount off the bowser price when fuel is purchased using a fuel card).

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## Purpose

The purpose of this Policy is to provide guidance on the provision and use of Council's Corporate Credit cards.

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## Objective

The George Town Council's Corporate Credit Card Policy has been developed to ensure transparency in Council's operations concerning the use of Council issued Credit Cards and to ensure that Council's resources are managed with integrity and diligence.

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## Scope

This Policy applies to any person who has been issued with a Council Corporate Credit Card.

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## Link to Strategic Plan

### **George Town Council Strategic Plan 2016 – 2026**

Ensure Council listens to and understands community needs and continues to make responsible decisions on behalf of the community.

### **Key Objective**

Consistently achieve a high standard of internal financial and governance arrangements.

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## Legislation

- Local Government Act 1993
- Local Government (General) Regulations 2015
- A New Tax System (Goods and Services Tax) Act 1999
- Fringe Benefits Tax Assessment Act 1986

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## Cardholder Responsibilities

The Cardholder is responsible for all transactions for which their Council Corporate Credit Card is used.

The Cardholder is responsible to ensure that their Council Corporate Credit Card is maintained in a secure manner and guarded against improper use.

The Cardholder is responsible to ensure that all documentation regarding transactions on their Council Corporate Credit Card is obtained and produced as part of the reconciliation procedure.

The Cardholder is responsible for ensuring that all purchases are made within their delegated expenditure limits.

The Cardholder will not make the credit card issued to them, available to any other person to use.

The Cardholder is not entitled to charge penalties for parking infringements or traffic offences to the credit card as these are not considered to be transactions relating to Council business as they can be avoided by the officer if the correct behaviour is displayed.

The Cardholder is responsible to ensure that their credit limit is not exceeded.

The Cardholder is responsible to ensure that purchases on their Council Corporate Credit Card are made in accordance with Council's Code for Tenders and Contracts.

The Cardholder is responsible to ensure that the reconciliation of their credit card statement supplied by the card provider is completed and returned to Corporate Services within seven days of issue.

The Cardholder will sign and date the attached "Acceptance of Policy" Form (See Attachment 1).

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## Reconciliation Procedures

Each transaction is to be supported by a tax invoice stating the type of goods purchased, amount of goods purchased and the price paid for the goods. The tax invoice shall meet the requirements of *A New Tax System (Goods and Services Tax) Act 1999* to ensure an input tax credit can be claimed.

The relevant cost number must be supplied on the attached tax invoice.

If no supporting documentation is available, the Cardholder will provide a declaration detailing the nature of the expenditure and must state on that declaration that "all expenditure is of a business nature".

When the Cardholder uses their Council Corporate Credit Card to provide food or beverages at a social function, etc. the number of people attending and the number of those who are employees must be indicated in writing on the tax invoice in order to ensure that Council complies with the *Fringe Benefits Tax Assessment Act 1986*.

The Cardholder shall sign in the relevant section of the credit card statement.

The Cardholder will ensure that the entire expenditure on the credit card statement is authorised by signature of the General Manager or Director Corporate Services.

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## Cash Advances

Under no circumstances is a Council Corporate Credit Card to be used for cash advances.

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## Lost, Stole and Damaged Cards

The loss or theft of a Council Corporate Credit Card must be reported immediately by the Cardholder to the card provider (ie Commonwealth Bank) regardless of the time or day discovered.

The Cardholder must also advise of the loss or theft of a Council Corporate Credit Card to the Director Corporate Services (or delegated officer) by no later than the next working day.

Any lost or damaged cards are to be reported to Council and the Audit Panel.

Advice of a damaged card is to be provided to the Director Corporate Services (or delegated officer) who will arrange a replacement

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## Disputed Transactions

Council is responsible for paying all accounts on the monthly credit card statements and the provider will debit this amount to the Council's bank account at the end of each month.

The Cardholder will be personally liable for expenditure that cannot be shown to be related to the business of Council.

When a dispute occurs, the Cardholder should attempt to correct the situation with the merchant.

If unable to correct the situation, the Cardholder should advise the Director Corporate Services (or delegated officer) who will attempt to resolve the matter and may have to contact the bank for assistance.

The General Manager will be the ultimate arbiter of disputed transactions involving staff. Where the disputed transaction involves the General Manager, the ultimate arbiter will be the Mayor.

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## Ceasing Employment

Council Corporate Credit Cards should be returned to the Director Corporate Services (or delegated officer) as soon as they are no longer required. If the Cardholder is leaving the service of Council, the Council Corporate Credit Card should be returned with all supporting purchase documentation no later than the last day of employment.

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## Compliance

Infractions of the conditions of this Policy will result in cancellation of the related Council Corporate Credit Card and the withdrawal of credit card availability to the Cardholder.

A breach of this Policy will lead to disciplinary action against the staff members concerned.

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## Risk Management

Compliance with this Policy will mitigate the financial, security and reputational risks that arise in the use of Corporate Credit Cards.

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## Implementation of Policy

Date of Approval:	19 <sup>th</sup> July 2017
Source of Approval:	Council resolution: 201/17
Commencement Date:	19 <sup>th</sup> July 2017
Related Council Documents:	Information Disclosure Policy No. 28 Information Disclosure Strategy (Procedures)
Next Review Date:	As required
Publication of Policy:	Policy to be made publicly available via Council's website.



**CREDIT CARD POLICY  
ACCEPTANCE OF POLICY**

I, ..... acknowledge that I have read and understood the George town Council Corporate Credit Card Policy and agree to abide by its requirements.

.....  
Signature

.....  
Date