



Credit Card Use Policy

Council Policy

Renmark Paringa Council

Responsible Officer	Manager Financial Services
Relevant Legislation	Local Government Act 1999, S.122 (1a) (b); Local Government Act 1999, S.124; Local Government (Financial Management) Regulations 2011, Regulation 12
Adopted	8 September 2004
Reviewed	September 2023
Next Review	September 2027

Objective

All cardholders must have either the authority or delegated authority to commit Council to expenditure. The Council must approve Corporate Credit Cardholders.

Policy

Council operates a corporate card system which permits cards to be issued to staff and authorised persons throughout the organisation. Corporate credit card recipients must comply with the conditions set out in the Corporate Credit Cardholder Agreement is required to be signed before the corporate credit card can be issued.

The maximum credit limit for the organisation is \$13,000 per month, unless due to operational requirements a higher monthly limit is specifically approved by the Chief Executive Officer. Currently the individual limits are;

CEO:	\$4,000
Mayor:	\$3,000
Director Corporate and Community Services:	\$3,000
Director Infrastructure and Environmental Services:	\$3,000



The number of and reasons for corporate credit cards issue will be reviewed by the Manager Financial Services annually. Cards will only be issued with approval from the Chief Executive Officer and purchases must be accordance with Council's procurement policy.

All credit card holders must abide by the following conditions.

The corporate credit cardholder **must** conform to sound principles of purchasing in accordance with this document, Council's *Procurement Policy*, any other relevant Council Policy or procedure, the employee's financial delegation and the approved budget. In doing so, the cardholder will ensure expenditure meets the following characteristics:

- Necessary – for an official business purpose;
- Reasonable – expense must not be extreme or excessive;
- Reflect value for money;
- Appropriate – able to withstand public scrutiny;
- Allowable – within council policy and legislative requirements;
- As per Councils Procurement Policy criteria;
- As per Councils Entertainment and Hospitality Policy criteria

The conditions of credit card use are set out in the *Credit Card Agreement and Acknowledgement by Cardholders* which acts as a declaration and understanding, and must be signed before the card is issued through Councils SkyTrust system.

The credit card cannot be used for:

- Cash withdrawals or gift cards;
- Personal expenses of any kind;
- No private expenditure shall be incurred, even if private funds are transferred or repaid immediately, to offset the expenditure;
- Alcohol is not to be purchased on a credit card unless prior approval is received from the CEO;
- Items of equipment that must be recorded on an asset register (unless approved by the CEO);
- Internet transactions which are not on a secure website.
- Membership for recreational, sporting or social clubs;
- Dangerous goods and hazardous substances;
- Foreign currency;
- For purchase of flowers or gifts except under certain circumstances, refer to Entertainment & Hospitality Policy which include occasions when it is appropriate, necessary or expected to offer a token of acknowledgement to community members/volunteers, staff and Council Members; or to thank an unpaid guest speaker; or for an employee or their family on the death of or in the event of a life-threatening injury or illness. Consistency and equity is to be maintained and no purchase shall exceed \$200;
- Every effort must be made to avoid using a corporate credit card for the purchase of fuel when a fuel card is available. In the event that the purchase of fuel to a corporate credit



card is unavoidable, the cardholder must provide a written statement detailing the circumstances under which the use of a corporate credit card was used. The statement must be authorised by the Delegated Authorising Officer and/or CEO. The statement must accompany that month's Credit Card Reconciliation Form;

- Corporate credit cards must not be used to pay fines of any nature;
- Corporate credit cards are not to be linked to any form of loyalty point's program or airline club memberships;

Personal Use

The credit card is for official Council business only and is not to be used to obtain personal items under any circumstances. Breaches may constitute disciplinary action in accordance with Council's policies, the immediate withdrawal of the facility and possible action under the Criminal Code.

Use by Persons other than the Cardholder

Cardholders must not allow their card to be used by other persons per conditions of the Visa Business Card Conditions of Use, even in absences. This is to ensure that the cardholder has full responsibility for the use of the card and breaches of this condition will result in the Council being liable for any unauthorised transactions.

Corporate Credit Cardholder Responsibilities

- Ensure corporate credit cards are maintained in a secure manner and guarded against improper use;
- Corporate credit cards are to be used only for Renmark Paringa Council 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;
- Corporate credit cards are to be returned to the Senior Finance Officer on or before the employee's termination date with a full acquittal of expenses;
- All cardholder responsibilities as outlined by the card provider.

Reconciling Monthly Statements

Within seven (7) working days of receiving the credit card statement:

- Each cardholder will be issued with a statement listing all their transactions. It is the responsibility of the cardholder to match their supporting documentation to the monthly statement;
- The cardholder (credit card custodian) is responsible for reconciling the credit card statement, with all tax invoices and/or receipts attached and signing the statement; An EFTPOS receipt alone does not meet the supporting documentation criteria.



- If a tax invoice or a receipt cannot be provided, then as much detail about the transaction must be provided, to be used to support the payment when required; (Date, Company, Address, ABN, Amount, any GST included);
- The description of each transaction must be detailed, examples of what to provide are as follows:

Type	Description Examples
<i>Accommodation</i>	Reason for stay (eg training course), employee name, dates, location.
<i>Training and Education</i>	Course name, employee name, dates, location.
<i>Travel (Flights, Taxi Fares)</i>	Reason for flights (eg training course), employee name, dates.
<i>Meals (Meetings, Training)</i>	Where, why meal has occurred, employee/councillors name, name of outside person/business attending a meeting.
<i>Subscriptions (Spotify, MailChimp, Software)</i>	Department name, what subscription is for, length of subscription.

- In some cases, a more detailed explanation of why the expense was incurred and/or a Statutory Declaration may be requested, with the transaction referred to the Manager Financial Services for approval purposes;
- If a lack of supporting information or detailed explanation is a regular occurrence, the cardholder may be refused access to a credit card;
- Transactions must be accompanied by an account/job number for costing purposes. Any credit card fees and charges will be costed by Financial Services;
- A copy of the CEO and Mayor credit card statements will be provided to the Audit & Risk Committee at each meeting.

Credit Card Authorisations

The CEO is to review each of the Directors monthly credit card statements at the end of the month and sign and date the statement to show evidence that the purchases are in line with the Credit Card Policy.

The CEO and Mayors credit card statements are to be reviewed by the Audit Committee.



Disputed or Unverified Transactions

Should the Cardholder become aware that their Corporate credit card is incurring transactions they are not aware of, they need to communicate this with the Manager Financial Services as soon as practical. As a matter of precaution, the card will have a temporary stop placed on it until such a time that the matter is resolved.

Should the Cardholder become aware of the situation outside of normal business hours, they are responsible to contact the Card Provider and request that a temporary stop be placed on their card.

When such a transaction appears on their statement, the Cardholder should notify Manager Financial Services whom will communicate with the Card Provider to resolve the issue.

Lost or Stolen Cards

Should the Cardholder become aware that they have lost or had their card stolen then they are required to notify the Card Issuer as soon as reasonably possible. Thereafter they should notify the Manager Financial Services during normal work hours as soon as reasonably possible. A replacement card will be arranged by the Manager Financial Services.

Replacement Cards

Should a card be replaced for whatever reason, it will be re-issued in the same way as the original issue.

Cessation of Employment/Entitlement

The Cardholder will return their Corporate Credit Card to Council at cessation of employment when advised by People and Corporate during their exit interview process.

The Mayor's Credit Card will be returned to the Chief Executive Officer at the end of their Elected Term.

Delegation

That pursuant to section 44 of the Local Government Act 1999, Council delegates to the Chief Executive Officer authority to administer Council's Policies. Refer Delegations Register for sub delegation if granted.



Review

This policy will be reviewed biennially or at any other such time as agreed by Council.

Document Control

Version #	Approval Date	Approved by	Amendment
	12 March 2021	Audit Committee	- Inclusion per 2020 Financial Audit - Updated Policy to new policy format
	7 September 2023	Audit & Risk Committee meeting 7.9.23	- Include reference to Entertainment & Hospitality Policy