



LIVERPOOL PLAINS SHIRE COUNCIL CORPORATE CREDIT CARDS POLICY

Version	Date	Resolution No.	Details
1	26 February 2014	719	Initial policy
2	27 March 2019	3197	Revision of original policy

POLICY OBJECTIVES

The objective of this policy is to ensure effective controls, policies and procedures are in place with regards to corporate credit card use by Council employees and elected members.

It is expected that through the operation of this policy, Council will achieve the following outcomes:

- Fulfilment of all statutory requirements of the Local Government Act 1993 (and other relevant legislative and regulatory requirements) with respect to the use of corporate credit cards.
- The adoption of best practice in developing a clear and comprehensive policy on the use of corporate credit cards.
- Ensure transparency in Council's use of corporate credit cards.
- Ensure Council's resources are managed with integrity and diligence.

RELEVANT LEGISLATION

Local Government Act 1993
Local Government (General) Regulation 2005
Fringe Benefits Tax Assessment Act 1986
Goods and Services Tax Act 1999

EFFECTIVE DATE AND POLICY REVIEW

The policy shall be reviewed every four years or earlier if required by legislation, Council resolution or recommendation of the General Manager. If the policy is not reviewed within this timeframe, it remains active until such time as it is reviewed or revoked by Council.

This policy comes into effect on 27 March 2019.

Signed by General Manager:

R S (Ron) van Katywk

Date Approved: 27 March 2019

POLICY

1. POLICY STATEMENT

- 1.1 Whilst the use of credit cards is not subject to legislative or regulatory controls, the incurring of expenditure or creation of liabilities on behalf of Council are subject to legislation through the operation of the Local Government Act 1993 and Local Government (General) Regulation 2005.
- 1.2 Corporate credit cards have been implemented to allow Council to transact its business in an efficient manner and to provide Council officers and elected members with a more convenient method to pay for transactions incurred on Council's behalf.
- 1.3 Corporate credit cards should be recognised as a valuable tool for the efficient and effective operation of Council's daily business and not as a benefit assigned to specific individuals.
- 1.4 The use of corporate credit cards entails the expenditure of public funds and should therefore be undertaken in accordance with the principles of good governance, financial accountability, transparency, and sound procurement practices, as outlined in relevant Council policy, procedure and governance documents.
- 1.5 This policy is to be read in conjunction with the associated Corporate Credit Card Procedures.

2. LIMITATIONS OF USE

- 2.1 The monthly credit limit for cards issued to the Mayor, General Manager and Directors is \$5,000.
- 2.2 The monthly credit limit for other staff is to be determined by the General Manager, in consultation with the relevant Director and the Responsible Accounting Officer.
- 2.3 Corporate credit cards are only to be used in the exercise of Council business. It is recognised that there will be occasions where it is either not practical or possible to separately pay for expenditure relating to official business and private expenditure (e.g. settling hotel account which contains elements of private expenditure). Any private expenditure so incurred must be reimbursed to Council in full when the monthly account is reconciled.
- 2.4 Corporate credit cards are not to be used for cash advances or withdrawals of any type.
- 2.5 Expenses incurred in a foreign currency or from foreign suppliers should be limited to circumstances where the goods or services to be acquired are not obtainable in Australia or are not obtainable for a reasonable price. Wherever possible, purchases should be made in Australia, from Australian suppliers.

- 2.6 Where a card holder is undertaking approved overseas travel, the card should be used for transactions to be demoninated in the currency of the overseas countries.
- 2.7 Card holders are not to exceed, in any single transaction, the financial delegation assigned to them in an official Delegation of Authority.

3. CARD HOLDER RESPONSIBILITIES

Card holders are responsible for the following:

- 3.1 Compliance with this Policy and all other relevant policy, procedural and governance documents issued by Council, as specified in section 5 below.
- 3.2 Physical custody and security of the card and its embedded data.
- 3.3 The monthly reconciliation of all transactions incurred on the card.
- 3.4 Obtaining sufficient transactional documentation to satisfy internal record-keeping requirements and ensure compliance with all relevant legislative and regulatory requirements.

4. AUTHORISATION OF EXPENDITURES

- 4.1 The authorisation of expenditures incurred on corporate credit cards is to be undertaken as follows:
 - 4.2 Employee credit card expenditures will be authorised by the relevant Director.
 - 4.3 Directors' credit card expenditures will be authorised by the General Manager.
 - 4.4 The General Manager's credit card expenditures will be authorised by the Mayor.
 - 4.5 The Mayor's credit card expenditures will be authorised by the General Manager and Responsible Accounting Officer (or designates), in accordance with the Payment of Expenses and Provision of Facilities to Councillors Policy.

5. COMPLIANCE WITH POLICIES AND GOVERNANCE DOCUMENTS

- 5.1 Improper or unauthorised use of a corporate credit card may result in the cardholder being held liable for expenditures incurred on the card. The card holder may be subject to disciplinary and/or legal action, up to and including termination of employment from Council.
- 5.2 Failure to comply with this policy and associated procedures may lead to approval for the use of a corporate credit card being withdrawn from a cardholder.
- 5.3 The provision and use of corporate credits cards is subject to a range of other policy and governance documents. Documents with particular relevance to this policy include, but are not limited to the following:
 - Payment of Expenses and Provision of Facilities to Councillors Policy
 - Procurement Policy
 - Model Code of Conduct for Local Councils in NSW March 2013
 - Fraud Prevention Policy
 - Risk Management Policy
 - Delegations of Authority