



ADMINISTRATIVE POLICY

Corporate Purchase Card Policy

Policy Number:	PO084		
Strategic Plan Objective:	Responsible Governance		
Policy Owner:	Director Corporate & Community Services	Record Number:	16/14080
Responsible Officer:	Manager Financial Services	Minute Reference:	Audit Committee 008/2019 (26/02/2019)
Date Adopted:	26/02/2019	Next Review Date:	December 2020

1. POLICY OBJECTIVES

The purpose of this Policy is to control the distribution and use of Corporate Purchase Cards within Council and to ensure sound governance of expenditure incurred on behalf of Council.

2. SCOPE

This Policy applies to all employees who have been issued with a Corporate Purchase Card.

3. DEFINITIONS

Approving Manager	Director/CEO – whichever is applicable
ATO	Australian Taxation Office
CEO	Chief Executive Officer
CMT	Corporate Management Team

4. POLICY STATEMENT

Council operates a Corporate Purchase Card system which permits a limited number of cards to be issued to appropriate operational staff throughout the organisation. Corporate Purchase Card holders and their card limits will be reviewed every twelve months to ensure the cards and limits are appropriate. This Policy should be read in conjunction with PR115 Corporate Purchase Card Procedure, LG Act 1999 section 110 (1) - Code of Conduct for Council Employees and PO058 Purchasing and Procurement Policy.

4.1. Current Corporate Purchase Card Holders and Limits

Position	Limit
Mayor	\$5,000.00
Chief Executive Officer	\$5,000.00
Executive Assistant to CEO & Mayor	\$5,000.00
Director Corporate & Community Services	\$5,000.00
Director Development Services	\$5,000.00
Director Assets & Infrastructure	\$5,000.00
Manager People & Culture	\$5,000.00
Manager Business & Public Relations	\$5,000.00
Governance Officer	\$1,000.00

4.2. Approval of New Corporate Purchase Card Holders and Limits

All new Corporate Purchase Card requests are to be endorsed by CMT, with final approval given by the CEO. A Card holder's individual transaction limit should not exceed their current financial delegation (though the cumulative monthly limit may be higher than their financial delegation) and this should be checked by the Accountant – Financial Management.

Card holders must go through a Corporate Purchase Card induction with Finance prior to being issued with their new card. Part of this induction requires Card holders to acknowledge they have read this Policy and its associated Procedure by signing SF050B Corporate Purchase Card Compliance Declaration before their new card is activated.

4.3. Transaction Limits

Each Corporate Purchase Card has a capped individual transaction limit. This limit is usually less than the cumulative monthly limit. The individual transaction limit should not exceed the Card holder's financial delegation as identified in Clause 4.1 – Current Corporate Purchase Card Holders and Limits. The CEO has final approval over each Card holder's limit. Should a higher transaction limit be required than the Card holder's financial delegation, due process should be followed to increase that Card holder's financial delegation before a limit is approved that exceeds it. Any changes to original limits must be approved by the CEO.

4.4. Use Of Corporate Purchase Card

Corporate Purchase Cards are solely for corporate purchases; no personal expenses are to be incurred whatsoever on a Council Corporate Purchase Card. If a personal expense is unintentionally charged to a Corporate Purchase Card, PR115 Corporate Purchase Card Procedure must be followed; with the Card holder being liable for those transactions.

Misuse of a Corporate Purchase Card may result in disciplinary action commensurate with the severity of the breach.

Breaches include:

- Persistent misuse of a Corporate Purchase Card for non-Council related purchases;
- Persistent, untimely submission of SF118 Corporate Purchase Card Monthly Reconciliation in breach of PO084 Corporate Purchase Card Policy;
- Breach of this Policy or its associated Procedure (PR115);
- Falsely claiming transactions as Council business; and
- Not keeping the Corporate Purchase Card secure.

Disciplinary action may include:

- Reduction in the Card holders limit;
- Suspension/removal of Corporate Purchase Card from the Card holder;
- Disciplinary and performance management of the Card holder; or
- Termination of employment of the Card holder.

Cash advances are strictly prohibited and as such this facility is not available on any Corporate Purchase Card.

Corporate Purchase Cards should not be used when there is an alternative form of procurement and payment available to the Card holder at the time of purchase (for example, raising a purchase order for supply of goods and services or receiving an

invoice to pay for the goods/services). Corporate Purchase Cards are not to be used to circumvent PO058 Purchasing and Procurement Policy.

All transactions must be supported with an ATO approved tax invoice/receipt suitable for confirming GST amounts (if applicable).

Corporate Purchase Cards should only be used to purchase fuel when there are no Fuel Card facilities available. The Card holder must try to plan their fuel purchases so that they can utilise fuel stations with known Fuel Card facilities as much as possible.

Corporate Purchase Card holders should refer to PR115 Corporate Purchase Card Procedure for full guidance on using Corporate Purchase Cards.

4.5. Disputes

Any transaction unable to be verified must be reported. Please refer to PR115 Corporate Purchase Card Procedure for guidance on this process.

4.6. Month-end approval process

All transactions listed on Corporate Purchase Card statements are to be transferred to SF118 Corporate Purchase Card Monthly Reconciliation and reconciled monthly with supporting documents attached and signed by the Card holder and their approving manager.

Approved reconciliations are to be forwarded to Finance within two weeks of Corporate Purchase Card statements being distributed. Finance will arrange for payment of the Corporate Purchase Card in full by the due date stipulated on the statement unless advised as per Clause 4.5 - Disputes.

4.7. Cessation of employment

Corporate Purchase Cards are to be cancelled immediately on termination of employment/association of the Card holder. Refer to PR115 – Corporate Purchase Card Procedure for the full process.

4.8. Lost/stolen

It is the Card holder's responsibility to contact Finance immediately if their card is lost or stolen. The Card holder must also advise their approving manager as soon as possible. Refer to PR115 – Corporate Purchase Card Procedure for the full process.

5. COMPLAINTS

If a member of staff wishes to make a complaint about a breach of this Policy or its associated Procedure, they should do so in writing to the CEO, outlining who the individual is, the alleged breach(es) and outlining any evidence they have. The CEO will then instigate an internal investigation to verify the breach(es) before determining the most appropriate course of action (if any).

6. REVIEW

This Policy and its associated Procedure will be reviewed biennially in consultation with employees. The Policy and its associated Procedure will also be reviewed as deemed necessary in consideration of any changes to legislation, relevant standards, codes and guidelines, audit findings, any corrective actions/controls arising from risk assessment and/or hazard/incident reports and stakeholder feedback.

7. TRAINING

Council is committed to supporting Card holders and other employees in complying with this Policy and its associated Procedure.

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All Card holders will be trained during their induction and any additional training needs will be reviewed annually during individual performance reviews and/or as necessary in consideration of any changes.

8. RELATED COUNCIL POLICIES AND DOCUMENTS

PO058 – Purchasing and Procurement Policy;
PR115 – Corporate Purchase Card Procedure;
SF050B - Corporate Purchase Card Compliance Declaration;
SF118 - Corporate Purchase Card Monthly Reconciliation.

9. REFERENCES AND LEGISLATION

Local Government Act 1999 section 110 (1) – Code of Conduct for Council Employees
A New Tax System (Goods and Services Tax) Act 1999 (Cth)

10. COUNCIL DELEGATION

Details of Delegation:	
Delegate:	CEO
Sub Delegate:	Director Corporate & Community Services

11. VERSION HISTORY

Archived Policy Name	Policy Number	Date Adopted	Last Review
Credit Card Policy	PO084	21/01/2015	09/12/2015
Corporate Purchase Card Policy	PO084	21/01/2016	3/08/2017
Corporate Purchase Card Policy	PO084	13/09/2017	26/02/2019