



WARRNAMBOOL
CITY COUNCIL

Corporate Credit Card Policy

POLICY TYPE: ORGANISATIONAL

APPROVAL DATE: May 2020

REVIEW DATE: May 2023

DOCUMENT CONTROL

Document Title:	<i>Corporate Credit Card Policy</i>
Policy Type:	<i>Organisational</i>
Responsible Branch:	<i>Financial Services</i>
Responsible Officer:	<i>Manager Financial Services</i>
Document Status:	<i>Approved</i>
Approved By:	<i>EMT</i>
Adopted Date:	<i>May 2020</i>
Review Date:	<i>May 2023</i>

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1. INTRODUCTION

1.1. Purpose

The purpose of this policy is to clearly outline the requirements relating to the use and administration of credit cards at Warrnambool City Council (Council).

- The use of credit cards as a payment mechanism can be of considerable benefit to the Council, ratepayers and the various individuals and organisations that supply goods and services. The benefits are in the form of: reduced administrative costs in the procurement process;
- improved purchasing efficiency;
- electronic transaction data for reporting, analysis and control.

The use of credit cards is encouraged in undertaking purchases:

- under the value of \$200;
- of goods/services that must be made on line;
- involving international money transfers;
- whilst travelling;
- where there is no other payment option available.

This policy documents key principles in relation to the conduct of persons involved in the use and administration of credit cards. The overriding principles being:

- Cardholders must always act in the interests of the Council, as opposed to their own personal interests or convenience: and
- Cardholders must perform their duties honestly, with skill and care.

1.2. Scope

This policy applies to all use of and administration of credit cards issued by the Council.

1.3. Definitions

“**Cardholder**” means a person who has been issued with a credit card.

“**Cardholder approver**” means a person with appropriate authorisation to approve a cardholders transactions, usually the cardholder’s manager.

“**Administrator**” means the person nominated by the Finance Manager with responsibility for administration of credit cards within the Council.

“**Staff/Employee**” this includes managers, supervisors, employees who are employed by Warrnambool City Council.

“**Official purposes**” means purposes that are in direct connection with, or a direct consequence of, the cardholder’s functions and duties within the Council.

“**Unauthorised use**” means any instance of non-compliance with this Policy, whether by the cardholder or by someone else and can involve:

- Unauthorised/inappropriate transactions made on a credit card: or
- Any other non-compliance with this Policy.

Throughout this policy, the term “Credit Card” has the same meaning as “Purchasing Card”.

1.4. References

Warrnambool City Council Corporate Credit Card Procedures

Warrnambool Travel Policy

Warrnambool City Council Staff Code of Conduct.

Warrnambool City Council Fraud and Corruption Control Policy

Financial Management Act 1994 - Direction 4.5.3 of the Standing Directions of the Minister for Finance specifically deals with the use of purchasing/credit cards.

2. POLICY

2.1. Policy Statement

The “Department of Treasury and Finance – Purchasing Card Rules for Use and Administration” is a comprehensive document detailing best practice concerning the use of credit cards. Whilst the Council is not bound legally by this document, it forms the basis of this policy and establishes sound procedures to which the Council will follow.

A credit card is to be used for official purposes only. Prior to making a purchase with a corporate credit card, consideration must be given as to whether such expenditure is in line with the expectations of the Council. This applies regardless of:

- The amount of the transaction involved; and
- The type of transaction made using a credit card. For example, whether the card is used to pay for goods/services which are bought directly from a merchant, or by mail/telephone/electronic means.

2.2. Roles of the Council and Cardholders

The administrator must ensure that all procedures as outlined in “Warrnambool City Council Credit Card Procedures” are followed and where any departure from these

or any unauthorised use occurs, such instances are reported to the Manager Financial Services for immediate investigation.

2.3. Unauthorised Use

The Manager Financial Services is responsible for investigating all instances of unauthorised use and for reporting such instances to the Chief Executive, independent Internal Auditor, Manager Governance and Risk or the Risk Management Coordinator.

If unauthorised use has occurred, the cardholder's entitlement to a credit card will be reviewed and removed if appropriate.

A disclosure about unauthorised use may also be made directly to the Ombudsman or to IBAC:

The Ombudsman Victoria

Level 2
570 Bourke Street
Melbourne VIC 3000

Internet: www.ombudsman.vic.gov.au
Email: complaints@ombudsman.vic.gov.au
Tel: 9613 6222
Toll Free: 1800 806 314

IBAC

Level 1, North Tower, 459 Collins Street
Melbourne, Vic, 3001
Internet: www.ibac.vic.gov.au

2.4. Forms and Records Management

Adequate records will be maintained to by the Council for a period of no less than 7 years electronically within Technology One.

3. GOVERNANCE

3.1. Owner

Manager Financial Services.

3.2. Review

The Manager Financial Services will review the policy for any necessary amendments no later than 3 years after its formulation or after the last review.

3.3. Compliance Responsibility

3.3.1. Management Executive Group (Chief Executive and Directors)

- Ensure legislative, policy and procedural requirements compliance.

3.3.2. *Managers and Supervisors*

- Ensure appropriate general ledger account codes are used when approving payments and required forms and supporting documentation are provided.

3.3.3. *All Employees*

- Must comply with legislative, policy and procedural requirements when provided use of a credit card.
- Provide information, documentation and declarations as required.

3.4. **Fraud and Corruption**

If fraud or corruption has been identified, the relevant staff member should follow the procedures set out in the Fraud and Corruption Control policy and procedure.

4. **Charter of Human Rights Compliance**

It is considered that this policy does not impact negatively on any rights identified in the Charter of Human Rights Act (2007).

Warrnambool City Council is committed to consultation and cooperation between management and employees. The Council will formally involve elected employee health and safety representatives in any workplace change that may affect the health and safety of any of its employees.