

Strategic Outcome Supported: 11 – Strong, visionary leadership

OBJECTIVE

1. The Shire is committed to ensuring that corporate credit cards are issued and used appropriately for Shire business, in a manner that complies with legislation and the Shire's policies and procedures.

SCOPE

2. The policy applies to all cardholders and encompasses all transactions made using corporate credit cards.

DEFINITIONS

3. **Corporate credit card/credit card** means a credit card issued by the Shire's bank to individual employees acting on behalf of the Shire to procure goods and services for the Shire's activities.
4. **Cardholder** refers to the individual Shire employee to whom a corporate card has been issued and whose name is displayed on the front of the credit card along with the Shire's name.
5. **CEO** means Chief Executive Officer.
6. **Personal expenditure** refers to expenditure incurred by an employee that does not pertain to the Shire's business, activities or operations.

POLICY STATEMENTS

7. The Shire requires that all corporate credit cards issued by the Shire be used appropriately and in accordance with the Shire's policies and procedures, and all expenditure incurred be properly approved and acquitted.
8. Corporate credit cards are issued by the Shire for the procurement of goods and services on behalf of the Shire subject to the following:
 - a. Corporate credit cards are issued only to permanent or fixed-term contract (full-time) employees of the Shire as outlined in Shire procedures. Council Members are not employees of the Shire and may not be issued credit cards.
 - b. Corporate credit cards are issued to specific positions employed at the Shire to enable efficient and effective procurement of goods and services on behalf of the organisation. A corporate credit card is not an employment or other benefit given to any individual employee.
 - c. The Shire may obtain corporate credit cards issued by the Shire's banking services provider.
 - d. Corporate credit cards will be issued and used in accordance with the Shire procedures.

- e. Cash withdrawals are not permitted on corporate credit cards.
- f. Cardholders must sign an agreement outlining their responsibilities and legal obligations when using the credit card.
- g. A register of all current cardholders, including card number, expiry date, and credit limit, must be maintained.
- h. New and existing cardholders must be provided with a copy of the policies and procedures related to the use of credit cards.
- i. Regular monitoring and review of credit card usage must be conducted to ensure compliance and identify any misuse.
- j. Misuse of corporate credit cards will result in disciplinary actions and recovery of funds.
- k. Expenditure incurred on corporate credit cards must:
 - i. be necessary to carry out the Shire's activities and functions; and
 - ii. be reasonable and appropriate; and
 - iii. not be excessive in relation to the goods or services sought; and
 - iv. not be personal expenditure.

Card issue, credit limits, and use

- 9. Purchases are limited to various expenses pertaining to Shire business, where normal procurement processes are not possible or practical.
- 10. The CEO authorises the issue of credit cards for other purposes and approves the credit limits on those individual credit cards as prescribed in Shire Procedures subject to the overall corporate card credit limit not being increased as a consequence.
- 11. The combined credit limits of all issued corporate credit cards at any time may not exceed the total credit limit of \$20,000.
- 12. The CEO may authorise additional credit cards, subject to the overall corporate card credit limit not being increased.
- 13. Any increase in the Shire's overall corporate card credit limit that the Shire seeks must be approved by Council prior to an application being made to the Shire's card issuer(s).
- 14. Where the overall corporate card credit limit assigned to the Shire is increased by the card issuer without application or representation from the Shire, no prior approval of Council is necessary. Where an offer of an increased overall credit limit is made to the Shire, prior Council approval is required before the Shire accepts this increase in the limit.
- 15. Where the CEO approves an increase to an individual corporate credit card, or approves additional credit cards within the overall card credit limit, this is to be reported to Council in the month following the CEO's decision, with reasons for the same.
- 16. All reward schemes (Fly Buys etc.) shall belong to the Shire.

Cardholder responsibilities

17. Corporate credit cards must be used in accordance with the Shire Procedures.
18. Where a cardholder incurs personal expenditure on a credit card, the Shire will take appropriate measures to recover such expenditure in the shortest possible timeframe. This may include deducting the amount from the cardholder's salary or requiring immediate reimbursement. Any accidental personal expenses deducted will be reported to Council. Shire procedures will outline the process for recovery and reporting.
19. When a cardholder leaves the Shire's employment or moves to a different position at the Shire that is not authorised to be issued a corporate credit card, return (surrender) and cancellation of the card must be undertaken in accordance with Shire procedures.
20. A cardholder is bound by the provisions of this policy and associated procedure, as well as the Shire's Code of Conduct for Employees, in relation to the corporate credit card assigned to them.

Lost or stolen cards

21. The cardholder is responsible for safe custody of the card issued to them as well as the security of associated credit card information.
22. Loss or theft of a credit card must be reported by a cardholder in accordance with Shire procedures.
23. Where a card or card information has been compromised or lost, cancellation and re-issue of a card must be undertaken as prescribed in the Shire's procedures, except where cancellation of a card facility is initiated by the card issuer.
24. The Shire will engage the card issuer in accordance with Shire procedures to cancel the card and arrange for a replacement credit card.

Recordkeeping and reporting

25. All written information and documentation pertaining to the use of corporate credit cards, including statements issued by the card issuer is to be retained and stored in accordance with the Shire's Recordkeeping Plan.
26. Credit card transactions will be listed in the schedule of accounts paid, presented to Council at the next Ordinary Council meeting.

DELEGATION AND AUTHORISATION

27. Council authorises the issue of a credit card to the CEO and sets the combined credit limit of \$20,000.

Credit Card

Shire of Donnybrook Balingup Council Policy FIN/CP-7



LEGISLATION

- Local Government Act 1995
- Local Government (Financial Management) Regulations 1996

APPENDIX

Nil.

GOVERNANCE

Related Policy(s):

- Nil.

Related Procedure(s):

- Nil.

Revision Requirements and Version Control:

Responsible Department(s):	Finance and Corporate			
Review to be conducted by:	Director Finance and Corporate			
Revision Frequency:	<input type="checkbox"/> Annual (1yr)	<input checked="" type="checkbox"/> Biennial (2yr)	<input type="checkbox"/> Triennial (3yr)	
Current Version Date:	27/11/2024	Next Due:	Nov, 2026	
Policy Version Details and Information:				
#:	Synopsis:	Date:	Ref.:	Synergy:
1	Initial adoption of policy	26/06/2013	-	-
2	No review done - renumbered from 3.7 Use of Corporate Credit Cards	21/12/2021	213/21	NPP8067
3	Major amendments (See council report) and reformatted to new template.	27/11/2024	214/11-24	