



POLICY NAME: Corporate Credit Card

POLICY No: AP20

PURPOSE OF POLICY:

Brighton Council operates a corporate credit card facility for use by approved personnel for purchases in accordance with Council policies and procedures.

SCOPE:

Corporate credit cards are only to be issued to personnel approved by the General Manager. These procedures apply to all staff members who has been OR will be issued with a Brighton Council corporate credit card.

POLICY:

1. General Provisions

- The General Manager must approve the issue of **ALL** corporate credit cards.
- Corporate credit cards are only to be used for the occasional, incidental purchase of particular goods or services where the Purchase Order system is not suitable.
- The individual Cardholder is responsible for the security and use of their card.
- The monthly credit limit on each corporate credit card will be based on the usage of the card and approved by the General Manager.
- Where a private purchase does occur due to exceptional circumstances, the Cardholder must arrange for immediate full reimbursement of those costs.
- The use of a corporate credit card is governed by the conditions of the relevant Cardholders' Responsibility Statement issued by the Business Credit Card Merchant Provider (currently the Commonwealth Bank).
- The General Manager at his discretion, may authorise the issuing of a corporate credit card to a staff member with a credit limit over their normal Purchasing Authority Limit Delegation.

2. Cardholder Responsibilities

- The Cardholder is responsible for **ALL** transactions for which their corporate credit card is used.
- The Cardholder is responsible to ensure that their corporate credit card is maintained in a secure manner and guarded against improper use.
- The Cardholder is responsible to ensure that **ALL** documentation regarding transactions on their corporate credit card is obtained and produced as part of the reconciliation procedures.
- The Cardholder is responsible for ensuring that **ALL** purchases are made within their delegated expenditure limits.
- The Cardholder is responsible to ensure that their credit limit is not exceeded.

- The Cardholder is responsible to ensure that purchases on their corporate credit card are made in accordance with any purchasing delegations and/or procedures of the Council.
 - The Cardholder is responsible to ensure that **ALL** documentation to support all purchases must be provided to the Accounts Payable Officer with each month's reconciliation. Failure to provide documentation may result in the General Manager determining that the Cardholder is personally liable for the expense.
3. **Reconciliation Procedures**
- Each transaction is to be supported by a 'tax invoice' stating the type of goods purchased, amount of goods purchased and the price paid for the goods. The tax invoice shall meet the requirements of the *A New Tax System (Goods and Services Tax) Act 1999* to ensure an input tax credit can be claimed.
 - The relevant General Ledger number and/or Asset Code is to be written in the relevant section of the corporate credit card statement for each transaction. Should there be insufficient room, these numbers can be written on the tax invoice.
 - If no supporting documentation is available, the Cardholder will provide a declaration detailing the nature of the expenditure and must state on that declaration that "ALL expenditure is of a business nature and was incurred on Council business".
 - When the Cardholder uses their corporate credit card to provide food or beverages at a business or social function, the number/name of people attending and the number of those who are employees, must be indicated in writing on the tax invoice in order to ensure that Council complies with the *Fringe Benefits Tax Assessment Act 1986*.
 - The Cardholder shall sign in the relevant approval section of the corporate credit card statement.
 - The Cardholder will ensure that the entire expenditure on the credit card statement is authorised by signature of their direct Manager/Supervisor who has appropriate financial delegation within Council.
 - In the case of the General Manager's corporate credit card, the Deputy General Manager will authorise by signature of ALL expenditure incurred.
4. **Cash Advances**
- Under **NO** circumstances is a Council Corporate Credit Card to be used for cash advances.
5. **Lost, Stolen and Damaged Cards**
- The loss or theft of a Council corporate credit card must be reported **immediately** by the Cardholder to the Merchant Provider (i.e. Commonwealth Bank) regardless of the time or day discovered. The relevant telephone number is 13 22 21.
 - The Cardholder must also advise the nominated finance officer, determined by the General Manager, of the loss or theft of a corporate credit card by no later than the next working day.
 - Advice of a damaged card is to be provided to the nominated finance officer, determined by the General Manager, who will arrange a replacement.

6. Disputed Transactions

- Council is responsible for paying all accounts on the monthly corporate credit card statements and the Merchant Provider will debit this amount from the Council's bank account at the end of each month.
- The Cardholder will be personally liable for expenditure that cannot be shown to be related to the business of Council and shall repay this amount as determined by the General Manager.
- When a dispute occurs, the Cardholder should attempt to correct the situation with the Merchant Provider, if applicable.
- If unable to correct the situation, the Cardholder should advise the General Manager who will attempt to resolve the matter and may have to contact the bank for assistance.
- The General Manager will be the ultimate arbiter of disputed transactions involving all staff.
- Where the disputed transaction involves the General Manager, the Mayor will be the ultimate arbiter.

7. Ceasing of Employment

- Council corporate credit cards **MUST** be returned to the nominated finance officer, determined by the General Manager, as soon as they are no longer required. If the Cardholder is leaving the service of Council, the corporate credit card should be returned with **ALL** supporting purchase documentation no later than the last day of employment. The Human Resources area will check the return of all property, including corporate credit cards, prior to an employee's departure as part of their exit interview process.

8. Other Requirements

- Infractions of the conditions of these procedures may result in cancellation of the related corporate credit card and the withdrawal of corporate credit card availability to the Cardholder.
- A breach of these procedures may lead to disciplinary action against the person concerned.

ROLES & RESPONSIBILITIES:

General Manager, Deputy General Manager, Corporate Executive and Accounts Payable Officer.

LEGISLATION & RELATED DOCUMENTS:

Local Government Act 1993

Local Government (General) Regulations 2015

Brighton Council's Annual Budget

Brighton Council's Purchasing Authority Limits Delegation

Expenditure Procedure Policy AP05

Corporate Services Credit Card – Specific Usage Procedures

ADMINISTRATIVE DETAILS:

Policy compiled: May 2015
Adopted by SMT: June 2015
To be Reviewed: June 2017, September 2019
Reviewed: September 2017
Responsibility: Manager Corporate Services



GENERAL MANAGER