	Function: CORPORATE SERVICES (FINANCIAL MANAGEMENT)	Adopted: 3rd March 2010 Resolution No.: C123:10
	Policy Number: FIN009P	Last Review: 5 th July 2023 Resolution No.: C217.0723
	Version Number: 5	Next Review: June 2026
CREDIT CARD POLICY		

Policy Statement

Copper Coast Council (Council) is accountable to the community for the expenditure decisions it makes and through this Policy, Council aims at providing guidance on appropriate credit card expenditure and control; ensuring that this expenditure is reasonable, justified and approved for appropriate Council business.

1. Introduction

- 1.1. Council recognises corporate credit cards are an efficient and flexible method of paying for goods and services. They offer a convenient and highly traceable payment option which assists to streamline business processes, improve purchasing efficiency and reduce administrative costs.
- 1.2. Overall, Council's credit card usage accounts for a small proportion of total expenditure, however, it is important that the corporate credit card system is effectively managed to control and reduce the risk of improper or unauthorised use.

2. Scope

- 2.1. The Credit Card Policy (Policy) provides the governance framework for appropriate and effective internal controls to facilitate defined and responsible use of corporate issued credit cards to authorised users only.

3. Applicable Legislation

- 3.1. The following legislation applies to this Policy:
 - 3.1.1. Local Government Act 1999
 - 3.1.2. Local Government (Financial Management) Regulations 2011
 - 3.1.3. Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Commonwealth)
- 3.2. This Policy is not a mandatory requirement but essential for good governance.

4. Integration with Council Objectives

- 4.1. This Policy supports Council's Strategic Plan 2019 – 2029:
 - 4.1.1. Governance Objective – Leadership
 - Goal 5 - To provide leadership and ensure resources are managed efficiently and effectively.
 - 5.2 Finance: to have an open, accurate and effective financial Management

5. Definitions – Nil

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6. Application

6.1. Purpose of Corporate Credit Cards

- 6.1.1. 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 Cardholder or to incur personal expenses.
- 6.1.2. Corporate credit cards are used by Council as an approved procurement method to transact its business in a more efficient manner and at the same time, provide the Cardholder with a more convenient method to meet costs they incur on Council's behalf.
- 6.1.3. The use of corporate credit cards is encouraged in undertaking relatively low value, high volume transactions in nature as it has a lower transactional cost when compared with processing standard supplier invoices.
- 6.1.4. As well as standard over the counter transactions, corporate credit cards allow the Cardholder to source goods and services from online and overseas suppliers if necessary and eliminate the need for bank drafts for such appropriate purchases.
- 6.1.5. Prior to using the corporate card, the Cardholder must turn their mind to the appropriateness of the expenditure, and ensure it is in line with Council's policies and justified as a genuine business expense.
- 6.1.6. Staff are not to use private credit cards to conduct Council business unless duly authorised prior to the transaction occurring by the Chief Executive Officer. The amount shall not exceed \$100 in any one transaction.

6.2. Issuing of Corporate Credit Cards

- 6.2.1. A corporate credit card can only be issued to a Council employee or member upon the completion of a cardholder approval and acknowledgement form, which has been duly authorised by the Chief Executive Officer.
- 6.2.2. Prior to an individual becoming a cardholder, they must provide adequate proof of identity to satisfy the financial institution requirements of the 100 identification point check.
- 6.2.3. The Accountant will be responsible for maintaining a register of the individual corporate credit cards including their associated limits and expiry dates.
- 6.2.4. On receipt of a corporate credit card, the Accountant will meet with the Cardholder and provide training covering requirements of this Policy and other internal controls. The Cardholder will be required to formally acknowledge receipt of the corporate credit card and that they have received and understood the training, respective delegation limits and obligations on them.

6.3. Monthly Limit and Authorisations

- 6.3.1. Each corporate credit card will have a monthly expenditure limit and must to be authorised by the Authorising Officer as indicated below:

	Monthly Limit	Authorising Officer
Chief Executive Officer	\$5,000.00	Mayor
Director Infrastructure Services	\$5,000.00	CEO
Library & Tourism Centre Co-ordinator	\$2,000.00	Director
Student & Campus Co-ordinator	\$2,000.00	Director
Personal Assistant to CEO	\$2,000.00	CEO
Executive Assistant to CEO and Mayor	\$1,500.00	CEO
ICT Services Co-ordinator	\$1,500.00	CEO

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6.3.2. The Council total credit card facility is set at \$30,000.

6.4. Restrictions

6.4.1. Corporate credit cards are not to be used for personal expenses under any circumstances. The card is not linked to any form of reward points and any personal reward card or membership should not be used in conjunction with the use of the corporate credit card.

6.4.2. Corporate credit cards used for purchases over the internet should be restricted to trusted secure sites.

6.4.3. Corporate credit cards are not permitted to have access to cash advance facility from an automatic teller machines or over the counter.

6.4.4. The Cardholder will be personally liable for expenditure that cannot be shown to be related to the business of the Council.

6.5. Making Purchases

6.5.1. Corporate credit cards are to be used as a normal credit card, with the valid signature required to make any purchase. The card should not be borrowed by another Council employee or member to make purchases over the phone; these should be undertaken by the Cardholder themselves.

6.5.2. Goods and services purchased with a corporate credit card must be made whilst complying with the Councils' Purchasing Policy and only within authorised budget allocations and Councils' internal procedures regarding purchases.

6.5.3. A tax invoice is required to be obtained for every purchase.

6.5.4. If a transaction is carried out by telephone or mail order, the Cardholder will need to ensure that an appropriate tax invoice is obtained from the supplier and included with the monthly reconciliation.

6.5.5. Tax invoices must contain the following components, in order to comply with Taxation Law and allow Council to claim an input tax credit for the GST paid:

6.5.5.1. be in the name of the Copper Coast Council

6.5.5.2. name of the supplier

6.5.5.3. the ABN of the supplier

6.5.5.4. date

6.5.5.5. description of the item purchased

6.5.5.6. the words "tax invoice"

6.5.5.7. clearly show the GST applicable to the transaction

6.5.6. Where a valid tax invoice has not been obtained, the Cardholder must attach a statutory declaration outlining a summary of the transaction, including date, amount and nature of the expense. A statutory declaration form can be downloaded from the following web site: <http://www.sa.gov.au/data/assets/pdf/0011/11432/MR28.pdf>.

6.5.7. If the corporate credit card is used to purchase software, in particular if purchasing items over the internet, it is necessary to liaise with Council's ICT Services Coordinator to ensure the software is compatible and is capable of effective support and maintenance.

6.5.8. The credit limit of the individual cards is not to be exceeded.

- 6.6. -
- 6.7. Payment of Corporate Credit Cards
- 6.7.1. The outstanding balance of each corporate credit card will be automatically debited from Council's bank account at the end of each month.
- 6.8. Reconciling Monthly Statements
- 6.8.1. Each Cardholder will be issued with a monthly statement listing all their transactions and a cardholder expenditure summary. It is the responsibility of the Cardholder to match their supporting documentation to the expenditure summary and return it to the Accountant within seven (7) days of receiving the monthly statement duly authorised.
- 6.8.2. For Fringe Benefit Tax (FBT) purposes, expenses in relation to the provision of entertainment must provide details of the total number of staff who attended and the total number of attendees. The Accountant has entertainment expenditure forms which must be completed for these transactions.
- 6.8.3. These reconciliations will be routinely reviewed by finance staff and external Auditors as part of monitoring internal controls.
- 6.9. Disputed Purchases
- 6.9.1. The Accountant will provide the forms required by the bank to dispute purchases on the corporate credit card.
- 6.9.2. When a dispute occurs, the Cardholder must attempt to correct the situation with the merchant. If unable to correct the situation, the Cardholder must contact the Accountant who will attempt to resolve the matter who may have to contact the bank for assistance.
- 6.10. Reporting Lost or Stolen Cards
- 6.10.1. If a card is lost or stolen, it is the Cardholder's responsibility to immediately telephone the National Australia Bank to report the loss.
- 6.10.2. National Australia Bank can be contacted 24 hours a day, 7 days per week on 1800 033 103 (24 hours within Australia only)
- 6.10.3. The Accountant should also be contacted immediately or advised no later than the next business day and the Cardholder should complete the relevant forms.
- 6.10.4. A replacement credit card will be arranged and issued upon receipt from the bank.
- 6.11. Replacement Credit Cards
- 6.11.1. The credit card is valid for the period shown on the face of the card.
- 6.11.2. National Australia Bank will automatically reissue replacement credit cards to the Council. The Accountant will update the register details in regards to the replacement credit card and issue it to the Cardholder.
- 6.12. Increase Credit Card Limits in Case of Emergency

6.12.1. The Chief Executive Officer is authorised to increase credit card limits of authorised card holders in Case of Emergencies as required, without exceeding the facility limit of \$30,000.

6.13. Termination or Cessation of Employment

6.13.1. Credit cards should be returned as soon as no longer required.

6.13.2. If leaving the services of Council, the credit card must be returned, no later than the last day of employment.

6.14. Breach of Policy or Misuse

6.14.1. Misuse of a credit card by a public officer is a breach of trust, intentional or otherwise, which may expose Council to financial or reputational risks. Intentional misuse of a credit card may lead to one or more of the following:

- revocation of the credit card issued to the employee;
- disciplinary action in accordance with Council’s relevant HR Policies and/or procedures;
- independent investigation to determine if repayment of the expense is required by the employee.

6.14.2. Any fraudulent credit card use must be immediately reported to the Chief Executive Officer for referral to the appropriate agency.

7. Council Delegation

7.1. Pursuant to Section 44 of the Local Government Act 1999, Council has delegated to the Chief Executive Officer authority to administer Councils’ policies.

8. Adoption and Review

8.1. This Policy shall be reviewed every four (4) years, or more frequently, if legislation or Council requires by the Development Services Department and a report shall be provided to Council for consideration and adoption.



9. Records Management

9.1. Official records will be managed in accordance with Council’s Records Management Policy pursuant to Section 125 of the Local Government Act 1999.

10. Availability of Policy

10.1. This Policy will be available for inspection without charge at the Council’s Principal Office during normal business hours and via the Council’s website www.coppercoast.sa.gov.au.

10.2. A copy of this Policy may be obtained on payment of a fee in accordance with Council’s Schedule of Fees and Charges.

Signed		
	Mayor	Chief Executive Officer
Date	5 th July 2023	