

## 3.9 Corporate Credit Card

### Objective

The purpose of this policy is to establish rules for the use of Corporate Credit Cards and the responsibilities of cardholders using the Shire's Corporate Credit Cards.

The policy ensures that operational and administrative costs and the risks associated with credit card use are minimised while providing cardholders with a convenient method of purchasing goods and services on behalf of the Shire.

### Policy

#### 1. Authority for use of Corporate Credit Cards

Shire of East Pilbara Corporate Credit Cards may be issued to the Chief Executive Officer and authorised officers where it is inappropriate or inconvenient to use the Shire's normal payment systems.

#### 2. Authority for approval of Corporate Credit Cards

Council authorises the issue of a credit card to the Chief Executive Officer. The Chief Executive Officer may approve credit cards to be issued to an employee. Credit limits will be determined by the Chief Executive Officer appropriate for operational needs. The Chief Executive Officer will issue Organisational Directives setting thresholds for expenses that require prior approval from the cardholder's supervisor.

#### 3. Legislation

Section 6.5(a) of the *Local Government Act 1995* ("the Act") requires the CEO to ensure that proper accounts and records of the transactions and affairs of the local government are kept in accordance with the regulations. In addition, regulation 11(1)(a) of the *Local Government (Financial Management) Regulations 1996* ("the Regulations") requires a local government to develop procedures for the authorisation and payment of accounts to ensure that there is effective security and appropriate authorisation in place for the use of credit cards. A monthly report of all credit card transactions must be provided to each ordinary meeting of Council in accordance with regulation 13A of the Regulations.

#### 4. Approved bankers

Corporate Credit Cards are normally issued by Banks and Financial Institutions on behalf of, or through credit card providers, such as Visa, MasterCard, Diners or American Express.

The Shire's Corporate Credit Cards are to be issued by its transactional banker.

#### 5. Purchases and use of Corporate Credit Cards

The Shire's Corporate Credit Cards shall only be used for the purchase of goods and services in the performance of official duties for which there is a budget provision. Under no circumstances are they to be used for personal or private purposes, or for the withdrawal of cash through a bank branch or any automatic teller machine.

Where purchases are made by electronic means, an invoice is to be requested to support the purchase.

Where a payment is made for business related hospitality purposes, the circumstances of the need for the entertainment, together with the name of persons receiving the entertainment must be recorded and

with the tax invoice/receipt for the purposes of transparency and the payment of any Fringe Benefits Tax liability. The details of the need for entertainment and those in receipt of it must be reported to Council.

Credit cards should not be used for recurring subscriptions where it is possible for a purchase order to be raised for the provision of such recurring subscription.

## 6. Accounts and settlement

The provider of the credit card will supply the Shire's Finance team with a statement of account each month. This statement will be forwarded to the cardholder for certification and the supply of receipts and tax invoices to support the Shire's claim for the purchases and services obtained

A credit card transaction slip is not acceptable to support the claim, and statutory declarations must only be used in extenuating circumstances, for example when a card is used to tap onto public transport and it can be shown that no tax invoice is provided. A statutory declaration must detail the reason why a tax invoice was not available and must be reviewed by the cardholder's supervisor.

A tax invoice should provide a brief description of the goods and services supplied along with the supplier's ABN. The cardholder is to provide the relevant or correct expense account for the expenditure.

When a credit card is used to pay for goods or services for a non-cardholder, the supporting information accompanying the evidence of the transaction must include an Approval to Use Credit Card Form, together with sufficient detail for the expense report to be detailed in the Monthly List of Accounts reported to Council.

Cardholders are to certify that the account details are correct. The certification will serve as an acknowledgement that the cardholder has reviewed the statement, verified the accuracy of all transactions, and confirmed that all expenses are legitimate business expenses. The certification is to be co-signed by the cardholder's supervisor approving the expenses prior to its return the Finance team for payment. In the case of the Chief Executive Officer, the statement must be signed by the Shire President.

The account will be paid by the Finance team on receipt of the cardholder's certification, which must be provided within seven (7) days of receipt and prior to the end of the credit card monthly settlement period.

## 7. Card lost or stolen

Cards that are lost or stolen must be reported immediately by the cardholder to the issuing bank. At the earliest opportunity, written notification must also be provided to the Director Corporate Services so that the cancellation of the card may be confirmed and a reconciliation of the card account from the date the card was lost or stolen may be performed.

## 8. Misuse of Corporate Credit Cards

Corporate Credit Cards are issued in the name of the authorised Shire officer, each of whom must take personal responsibility for the use of the card. Any unauthorised or inappropriate expenditure must be reported immediately to the Director Corporate Services or Chief Executive Officer.

Shire officers authorised as corporate credit card holders must ensure the security of the card at all times. Credit card transactions that are unreasonable, excessive or are for unauthorised expenditure will be subject to audit and may result in the withdrawal of the card from the cardholder. All instances of unauthorised use of a corporate credit card will be reported to the Public Sector Commission or Corruption and Crime Commission in accordance with the *Corruption, Crime and Misconduct Act 2003*.

## 9. Recovery of unauthorised expenditure

Unauthorised expenditure or expenditure of a private nature will be recovered from the officer's salary and may result in disciplinary action being taken.

## 10. Internal audit of the Corporate Credit Card system

From time to time, audits on the control, use, viability and adherence to this policy will be undertaken and reported to the Audit, Risk and Governance Committee.

## 11. Reward/bonus points

Where Corporate Credit Cards carry rewards or points, usually to encourage the use of the card by the issuing institution, these rewards or points shall not be accumulated in the name of the responsible officer. Council may maintain a corporate account which collects rewards points on behalf of the Shire, to be used by the organisation.

## 12. Return of cards

When the Chief Executive Officer or other officer ceases to occupy a position that is authorised to be issued with a Corporate Credit Card, it must be returned to the responsible Director prior to vacating the position so that the card may be cancelled and the account settled.

## 13. Finance services team responsibilities

The Director Corporate Services is responsible for arranging the issue of the Corporate Credit Card on advice from the CEO. The Chief Executive Officer is responsible to ensure the following with respect to the Shire's corporate credit cards:

- Maintenance of a Corporate Credit Card Register of all cardholders.
- Arranging the issue/cancellation of the Corporate Credit Cards.
- Arranging for all cardholders to sign the Declaration of Credit Card Holder (see **Appendix A**) on receipt of the new card and ensure the signed agreement is filed in the Corporate Credit Card Register.
- Processing payment of credit card expenditure on receipt of the card statement from the bank and after certification from the cardholder. Ensure that all receipts and tax invoices are in place prior to authorisation for payment.
- Keeping cardholders informed of any changes to this Policy.

## 14. Cardholder's responsibilities

Officers who are issued with Corporate Credit Cards must:

- Ensure the care and safe keeping of the credit card.
- Adhere to this Policy in relation to the use of the credit card and its financial limits.
- Ensure receipts and tax invoices are received when the credit card is used, and to produce them as evidence for settlement with the bank.
- Ensure the monthly credit card statement is certified correctly and approved for payment when received from the Finance team, and to return the statement to the Finance team with the receipts

and tax invoices attached and within seven (7) days of receipt.

- Ensure relevant and correct expenditure account details (account numbers) are provided against each item of expenditure on the credit card statement to assist with the allocation of expenses and claims for the reimbursement of GST from the Australian Taxation Office.
- To provide an early response to enquiries that may be made by the bank, creditors or related parties, as the case may be.
- Purchasing levels are within Council's Purchasing and Tender Policy and legislative requirements.
- Adhere to all finance work directions as authorised by the Chief Executive Officer, in accordance with the Code of Conduct.

## 15. Training

- The Chief Executive Officer will ensure comprehensive mandatory training is provided for all credit card holders. This training will cover the obligations under the legislation, regulations and this policy, and emphasise the importance of adhering to the standardised guidelines.

## Authorisation Details

<b>Authorised by:</b>	Council		
<b>Date:</b>	24 April 2014	<b>Item No.</b>	9.2.19
<b>Review/Amendment Date</b>	24 August 2018	<b>Item No.</b>	9.1.4
	23 August 2024	<b>Item No.</b>	12.2.1
	27 June 2025	<b>Minute No.</b>	2025/171
<b>Next Review</b>	Annually		
<b>Responsible Directorate</b>	Corporate Services		
<b>Responsible Officer</b>	Manager Corporate Services		
<b>File No.</b>			

## APPENDIX A

### DECLARATION OF CREDIT CARD HOLDER

I, \_\_\_\_\_, being an employee of the Shire of East Pilbara and  
undertaking the position of \_\_\_\_\_, declare that I have read and  
understand this policy and as a holder of a Council credit card will abide by the obligations  
contained within.

\_\_\_\_\_  
Signature

/ /  
Date