

# POL 0029: Corporate Credit Card

## Purpose

To provide clear direction on appropriate use of the Shire's corporate credit cards to approved cardholders.

## Scope

This policy affects all officers who have a shire corporate credit card and outlines the general practices and obligations for those officers.

## Definitions

N/A

## Practice

The issue and use of corporate credit cards should be strictly in accordance with this policy and the *Procurement Policy*.

The procurement of goods or services using corporate credit cards is limited to low value, high volume purchases or instances when the standard method of raising purchase orders/invoices and/or manual EFT/cheque practices are not available from the preferred supplier.

The overall limit of the Shire's corporate credit card facility shall not exceed \$80,000.

## General Practices

1. Corporate credit cards will only be issued to employees of the Shire of Esperance on approval of the Chief Executive Officer (CEO).
2. In the case of the CEO, Council may approve the issuing of a corporate credit card as provided for in the contract of employment.
3. The maximum credit limit on any card shall not exceed \$5,000, unless specifically approved by the Chief Executive Officer (CEO) for sound demonstrable purposes.
4. The corporate credit cards are to be used for official shire business only and may not be used for personal or private purposes under any circumstances.
5. The corporate credit cards are not to be linked to a reward points program.
6. Corporate credit cards are not to be used for cash advances and this facility will be barred on all cards with the shire's financial institution.
7. It is the cardholder's responsibility to ensure, prior to any purchase, that there are sufficient funds/credit limit available on their corporate credit card so as not to exceed the card's limit.
8. The remaining credit limit can be ascertained at any time by contacting the Finance Department.
9. A tax invoice is required to be obtained for every purchase made.
10. At the end of each month, each credit card statement is authorised by -
  - a. In the case of the Chief Executive Officer, the Shire President;

- b. In the case of the Directors, the Chief Executive Officer;
  - c. In the case of other officers, the supervising Director.
11. All purchases using a corporate credit card shall be included in the monthly list of accounts paid by delegated authority that is presented to Council.

#### Restrictions on Use

Purchasing cards must not be used for the following:

1. Personal, non-work-related expenditure.
2. Splitting purchases in order to negate purchasing delegation limits.
3. To purchase goods and services where the Cardholder will gain private advantage through the transaction (e.g. special offers that benefit individuals such as loyalty reward schemes).
4. To purchase goods and/or services which are higher in value than the cardholder's purchasing delegation limit.

#### Terms of Corporate Credit Card Use by Cardholder

1. An agreement between the cardholder and the Shire of Esperance shall be signed prior to the issue of corporate credit card.
2. The agreement will outline the cardholder's responsibilities as follows -
  - a. Acknowledges receipt of the Shire of Esperance corporate credit card
  - b. Confirmation of knowledge and understanding of the Corporate Credit Card Policy.
  - c. Will use the corporate credit card for official shire business only
  - d. Will ensure the security of the corporate credit card at all times
  - e. Will immediately report to the Financial Institution and Manager Financial Services if corporate credit card is lost, damaged or stolen
  - f. Notification of disputed transactions.
  - g. If position at the Shire of Esperance changes, or employment terminates or there is a request to surrender the corporate credit card, the card will be immediately returned to Finance Department
  - h. Retain all original tax invoices supporting purchases made on corporate credit card
  - i. Reconciling monthly statements, with supporting documentation and provide cost codes for processing to Finance Department in a timely manner
  - j. Any misuse of the Corporate Credit Card may lead to disciplinary action.

#### Administration

1. Finance will have a delegated card administrator who will be the main point of contact for and card related issues/queries.
2. The outstanding balance of each corporate credit card will be automatically debited to Shire's municipal bank account at the end of each month.
3. Monthly statements listing all transactions will be provided to each cardholder for their review. They will provide to the Finance Department tax invoices and cost accounts for processing.

4. The Finance Department will ensure that corporate credit card agreements are signed and returned before providing the card to the cardholder.
5. Cardholder is responsible to correct any disputes with the merchant.
6. Finance Department will report fraudulent transactions to the Commonwealth Bank.

.....End.....

#### Document Information

Responsible Position	Manager Financial Services
Risk Rating	High

#### Referencing Documents

- *Local Government Act 1995*

#### Revision History

Date	Version	CM Reference	Reason for Change	Resolution #	Next Review
Feb 2022	1	D22/5421	New policy	O0222-033	Feb 2024
Dec 2023	2	D22/5421[v2]	Include scope, remove procurement policy reference number	O1223-203	Dec 2025
Jan 2026	3	D22/5421[v3]	Include reference to low value, high volume purchases. Add restrictions section. Add b and f to cardholder terms section. Add 1 to administration section.	O0126-016	Jan 2028