

Use of Corporate Credit Cards Protocol

Protocol owner:	Manager Financial Services
Contact person (extension):	Coordinator Contracts Administration and Purchasing Services (4390)
Promapp link:	<Promapp minimode link>
Related protocols:	<ul style="list-style-type: none"> • <Protocol name>
Related policies:	<ul style="list-style-type: none"> • Purchasing Policy • Sustainability Policy
Related plans/strategies:	<ul style="list-style-type: none"> •
Other related documentation/legislation:	<ul style="list-style-type: none"> • Code of Conduct • Purchasing of Goods and Services Protocol • Regulation 11(1)(a) of the <i>Local Government (Financial Management) Regulations 1996</i> as amended • Use of Trade Cards Protocol • Delegation of Authority Manual
HPERM reference:	INT22/12397
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Objective

To ensure the correct use and management of credit cards by authorised City employees.

Background

The protocol exists to provide direction on the issuing of corporate credit cards to individual staff members and the use of these credit cards.

Scope

This protocol relates to all employees authorised to hold, use and/or manage the use of a corporate credit card for City purchases.

Definitions

Authorised officer

A City officer who has delegated authority to incur liabilities and make payments from the Municipal Fund, subject to the limits stipulated in the City's Delegation of Authority Manual

Corporate credit card A credit card issued to an employee of the City to be used for purchase of goods and services for the City

Employee responsibilities

- Corporate credit cards are to be used for the purchasing of goods and services on behalf of the City and within the financial limits set.
- Corporate credit cards must not be used for personal purchases and should not be used to obtain cash advances.
- Corporate credit cards can only be used by the cardholder. The use of the card is not transferable nor should the credit card details (eg card number and expiry date) be shared with another person for making payments on behalf of the cardholder.
- The cardholder is only authorised to make payment for budgeted business expenditures.
- Credit card holders must take strict care over the custody and use of the card at all times and ensure the card is not used inappropriately or by an unauthorised person.
- The provisions of the City of Joondalup’s Code of Conduct and ethical and professional standards (defined in the Purchasing of Goods and Services Protocol) must be observed when using a corporate credit card.

Issue and Return of Corporate Credit Cards

1. Corporate credit cards may be issued to the CEO where authorised by Council, and officers where authorised by the CEO, to use for purchases and payments on behalf of the City.
2. Corporate credit cards have a maximum credit limit for each card as approved by Council for a card issued to the CEO and by the CEO for cards issued to officers. Credit card limits are as follows.

Position	Credit Purpose Limit	Card and	Expenditure Reviewing and Approving Officer
Chief Executive Officer	CEO \$10,000		Director Corporate Services
Manager Financial Services	Corporate Card \$12,000	Travel	Director Corporate Services
Purchasing Officer 1	Purchasing Card \$20,000	Credit	Manager Financial Services
Civic Function Officer	Civic \$5,000	Functions	Manager Communications and Stakeholder Relations

3. Council approves changes to credit card limits for the CEO. The Director Corporate Services approves changes to credit card limits for City Officers.

4. The Chief Executive Officer must surrender the corporate credit card to the Director Corporate Services, no later than the day prior to termination of employment.
5. Business Unit cardholders, other than the Manager Financial Services, must surrender their assigned corporate credit card to the Manager Financial Services no later than the day prior to the termination of the position or termination of employment for cancellation and settlement of the account. The Manager Financial Services must surrender the corporate credit card to the Director Corporate Services no later than the day prior to the termination of the position or termination of employment for cancellation and settlement of the account.
6. Financial Services must notify the issuing bank to cancel a surrendered corporate credit cards no later than one working week following date of termination of the cardholder's employment.
7. A copy of the notification to the bank will be retained along with a confirmation of such cancellation from the bank when it is received, as a record of the cancellation of the card.
8. On receipt of confirmation of cancellation from the issuing bank, Financial Services will proceed to physically destroy the card by cutting it up and disposing in a secure bin.

Corporate Credit Card held by the Purchasing Officer

1. Corporate credit cards issued to a Purchasing Officer can be used in situations where urgent payment is required or where payment by credit card is the most appropriate method of payment and/or provides a recognised advantage to the City.
2. Business Unit officers must complete the *Purchasing Card Request/Petty Cash Reimbursement* form on the Intranet – How Do I? Page\Forms and Templates\Purchasing and Contracts.
3. An authorised officer must approve the *Purchasing Card Request* form. A Business Unit officer who is also an authorised officer cannot approve their own form. The authorised officer approving a form must be different to the requesting officer.
4. The Business Unit officer refers the approved form to the Purchasing Officer who will make the necessary arrangements to effect payment.
5. Payment may be effected online, via a website, or by phone where this is accommodated. Where payment is to be effected online, the website for the relevant goods/services requested must be accessed by the Business Unit officer. When the payment by credit card stage is reached in the online purchase process, only the Purchasing Officer may input the relevant corporate credit card details into the webpage.
6. The Business Unit officer must forward to the Purchasing Officer any receipts or invoices pertaining to the transaction(s) that are received by the officer, whether as hard copies or electronically via email or other means.

Corporate Travel Credit Card held by the Manager Financial Services

1. The corporate travel credit card is held for the purpose of paying for travel and related costs, including accommodation, for elected members and employees who may travel for City business including conferences.
2. This card can occasionally be used to make payments for other business requirements, where urgent and necessary. This includes situations where the purchasing corporate card is unavailable or has insufficient funds for payment purposes.

3. Where a request for such a purpose is made to the cardholder, the Business Unit officer uses the same *Purchasing Card Request/Petty Cash Reimbursement* form used to request payment by the purchasing credit card, noting that the request is for payment from the corporate travel card.
4. The cardholder will refer such payment requests to the Director Corporate Service who will approve or decline the request accordingly. If the Director Corporate Service is not available, the Chief Executive Officer will approve or decline such a request.

Processing of Credit Card Expenditure for all Cardholders

1. Cardholders must retain the customer copy of the charge slip together with any other transaction receipt for all payments made by a corporate credit card for verification and reconciliation of the expenditure incurred.
2. On settlement date, the card issuer (bank) charges the City's bank account by direct debit for all credit card purchases and payments each calendar month, and provides to the City a transaction statement or each credit card, listing all transactions associated with the bank charge.
3. On receipt of the credit card transaction statement, Financial Services will provide a copy of the statement to the relevant cardholder.
4. The cardholder is required to:
 - Review the statement to verify that the payments shown on the statement are correct;
 - Attach the supporting invoices, charge slips and/or receipts for all transactions listed;
 - Provide the appropriate account codes for costing purposes on the charge slips; and
 - Sign the monthly statement, as the cardholder, confirming that the payments made are for goods and services purchased on behalf of the City. Confirmation may be effected either on the statement (whether as a wet signature or a digital signature), by way of an email which has the particular statement attached, or by other appropriate digital means as may be put in place by the City
5. Tax invoices and receipts are required by the City to make a claim for GST paid. Where the goods or services provided relate to business hospitality or staff appreciation, the cardholder must write on the receipt (or attach to the receipt) details of the purchase, the names of the City of Joondalup employees and non-employees involved to allow proper assessment of any Fringe Benefits Tax which may apply.

Lost or Stolen Credit Cards

1. The cardholder must report the loss or theft of a corporate credit card to the card provider (bank) as soon as possible but not more than 1 working day following the discovery of the loss or theft.
2. The Westpac Bank is the City's current card provider. The dedicated Westpac number to call to report lost or stolen cards is displayed on the back of each card.
3. The cardholder should advise the Manager Financial Services of the theft or loss together with details of the report made to the bank within 1 working day of this report, including details of any report made to police. The Manager Financial Services will liaise with the bank, confirm the cancellation of the card and arrange for the issue of a replacement card as necessary.

Incentive Schemes

Any reward points or credits accumulated under an incentive schemes associated with credit card purchases, if any, can only be used at the discretion of the Chief Executive Officer or, in the case of the Chief Executive Officer's card, the Director of Corporate Services.

Management Review and Audit

Regular review will be conducted by the Manager Financial Services and periodic audit undertaken by the Internal Auditor to verify compliance and address any breach that may occur in adhering to the provisions of this protocol.

Corporate Credit Cards

Council Policy

Responsible Directorate: Corporate Services

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

1. Statement:

The City of Joondalup requires that all corporate credit cards issued by the City be used appropriately and in accordance with the City's policies and protocols, and all expenditure incurred be properly approved and acquitted.

2. Purpose and principles

Corporate credit cards are issued by the City for the procurement of goods and services on behalf of the local government subject to the following:

- Corporate credit cards are issued only to permanent or fixed-term contract (full-time) employees of the City. Elected Members are not employees of the City and may not be issued credit cards;
- Corporate credit cards are issued to specific positions employed at the City 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.
- The City may obtain corporate credit cards issued by the City's banking services provider. Council may authorise the City to engage a card issuer other than the City's bank to issue corporate cards if this is considered appropriate.
- Corporate credit cards will be issued and used in accordance with the City's *Use of Corporate Credit Cards Protocol*;
- Cash withdrawals are not permitted on corporate credit cards;
- Expenditure incurred on corporate credit cards must:
 - Be necessary to carry out the City's activities and functions;

- Be reasonable and appropriate;
- Not be excessive in relation to the goods or services sought;
- Not be personal expenditure

3. Definitions

Corporate Credit Card/Credit Card means a credit card issued by the City's bank to individual employees acting on behalf of the City to procure goods and services for the City's activities

Cardholder refers to the individual City employee to whom a corporate card has been issued and whose name is displayed on the front of the credit card along with the City's name

Personal expenditure refers to expenditure incurred by an employee that does not pertain to the City's business, activities or operations.

4. Card issue, credit limits, and use

4.1. Card issuing and credit limits

4.1.1 Corporate credit cards are issued only to the positions at the City as outlined in the City's *Use of Corporate Credit Cards* Protocol, for the following purposes:

- CEO Credit card - for use by the Chief Executive Officer for various expenses pertaining to City business, where normal procurement processes are not possible or practical;
- Purchasing credit card – to procure goods or services where a purchase order is not possible or practical;
- Corporate travel credit card – for the purpose of procuring corporate travel and accommodation, as well as any emergency non-travel expenditure
- Civic hospitality/catering credit card – to incur expenses pertaining to catering at Council and Committee meetings and related Elected Member events

4.1.2 Council authorises the issue of a credit card to the Chief Executive Officer (CEO) and sets the credit limit on this card.

4.1.3 The CEO authorises the issue of credit cards for other purposes and approves the credit limits on those individual credit cards as prescribed in the *Use of Corporate Credit Cards Protocol* subject to the overall corporate card credit limit not being increased as a consequence.

4.1.4 The combined credit limits of all issued corporate credit cards at any time may not exceed the total credit limit approved for the City by the card issuer(s), usually the City's bank.

4.1.5 The CEO may authorise additional credit cards for any of the above purposes, other than the CEO card, subject to the overall corporate card credit limit not being increased.

4.1.6 Any increase in the City's overall corporate card credit limit that the City seeks must be approved by Council prior to an application being made to the City's card issuer(s).

4.1.7 Where the overall corporate card credit limit assigned to the City is increased by the card issuer without application or representation from the City, no prior approval of Council is necessary.

4.1.8 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.

4.2. Cardholder Responsibilities

4.2.1 Corporate credit cards must be used in accordance with the City's *Use of Corporate Credit Cards* Protocol.

4.2.2 Cardholders must acquit expenditure incurred on their credit cards on a monthly basis in accordance with the *Use of Corporate Credit Cards* Protocol, inclusive of supporting documentation as set out in the Protocol.

4.2.3 Where a cardholder incurs personal expenditure on a credit card, the City will take appropriate measures to recover such expenditure in the shortest possible timeframe. Such incurrence is a breach of this policy and constitutes a violation of the City's *Code of Conduct for Employees*.

4.2.4 When a cardholder leaves the City's employment or moves to a different position at the City that is not authorised to be issued a corporate credit card, return (surrender) and cancellation of the card must be undertaken in accordance with the *Use of Corporate Credit Cards* Protocol.

4.2.5 A cardholder is bound by the provisions of this Policy and the *Use of Corporate Credit Cards* Protocol, as well as the City's *Code of Conduct for Employees*, in relation to the corporate credit card assigned to them.

4.3. Lost or stolen cards

4.3.1 The cardholder is responsible for safe custody of the card issued to them as well as the security of associated credit card information

4.3.2 Loss or theft of a credit card must be reported by a cardholder in accordance with the *Use of Corporate Credit Cards* Protocol.

4.3.3 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 *Use of Corporate Credit Cards Protocol*, except where cancellation of a card facility is initiated by the card issuer.

4.3.4 The City will engage the card issuer in accordance with the *Use of Corporate Credit Cards* protocol to cancel the card and arrange for a replacement credit card.

5. Record keeping

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 City's Recordkeeping Plan.

6. Use of Corporate Credit Cards Protocol

Detailed operating protocols and requirements for effective administration of the City's corporate credit cards are provided in the *Use of Corporate Credit Cards* Protocol. Changes to the Protocol are approved by the CEO. No changes may be made to the Protocol that have the effect of contravening the provisions of this Policy, except where authorised by Council in advance.

Creation Date: XX August 2022

Amendments:

Related Documentation: Use of Corporate Credit Cards Protocol
Code of Conduct for Employees