

5.6 CORPORATE PROCEDURE – USE OF CREDIT / CHARGE CARDS

Please note that the following new procedure for use of Credit Cards has been adopted by the Executive Management Team. This procedure has been renumbered to 5.69.8 to be in line with the proposed changes to the Corporate Procedures Manual, which are currently with the Executive Management Team for final approval.

Item: 5.69

Subject: Use of Credit/Charge Cards

5.96.1 Purpose

Corporate Credit Cards may be issued to the Mayor, CEO and authorised officers to pay for immediate requirements where it is inappropriate or inconvenient to use the City's normal financial payment systems or where the City may benefit from payment by corporate credit card.

5.96.2 Issue and Return of Credit Cards

Corporate Credit Cards may be issued to the Mayor, CEO and authorised officers and have a maximum individual credit limit of up to \$5,000 as per section 5.9.85. Corporate credit cards will be supplied by the City's banking services provider. ~~In the event that the Mayor no longer holds office or prior to an election for the position, he/she shall surrender the Corporate Credit Card to the Chief Executive Officer, one week prior to termination of office / holding of an election for the position.~~ • In the event that the Chief Executive Officer is no longer employed by the City, he/she shall surrender the Corporate Credit Card to the Director Corporate Services & Resource Management, one-week prior to termination of employment. • In the event that an authorised officer is no longer employed by the City, he/she shall surrender the Corporate Credit Card to their immediate supervisor, one-week prior to termination of office or employment. The corporate credit cards should then immediately be returned to the Statutory Accountant for cancellation and settlement of the account with the bank.

5.9.3 Incentive Schemes

If there are any incentive schemes associated with credit card purchases, the points or credits accumulated can only be used at the discretion of the Chief Executive Officer.

5.9.4 Non Compliance with Policies

Any cardholder that fails to comply with policy in respect to credit card purchases will be subject to the normal breach of employment terms, code of conduct and relevant legislation.

5.9.5 Purchases by Facsimile, Telephone or over the Internet

These purchases are to be conducted in accordance with the Purchasing Policy in the same manner as if a purchase order was issued.

5.9.36 Lost or Stolen Credit Cards

The Cardholder should report the loss or theft of a Corporate Credit Card to the Card Provider directly, as soon as the loss or theft is noticed or as soon as practicable thereafter. The Cardholder should obtain proof of the report made to the Card Provider (i.e. the report number and the time of the report). The Westpac Bank is the City's current Card Provider. The number to call for reporting the loss is – 1300 651 089. This number may change if the Card Provider changes. The Cardholder should advise the Statutory Accountant of the theft or loss (together with details of the report made to the Card Provider) as soon as practicable. The Statutory Accountant will confirm the cancellation with the Card Provider and arrange for the issue of a replacement card.

5.9.47 Authorised Use

The Cardholder is authorised to make payment for business expenditures incurred. The Cardholder should be satisfied that the payments are made for goods or services received.

The corporate credit card may only be used by the Cardholder - its use is not transferable nor should credit card details (e.g. corporate credit card number and expiry date) be shared with another person for making payments on behalf of the Cardholder. Corporate credit cards are only to be used for the purchasing of goods and services on behalf of the City of Joondalup. The corporate credit card shall not be used for personal purchases under any circumstances and should not be used to obtain cash advances. The use of the corporate credit card shall be in accordance with the City of Joondalup's Code of Conduct at all times. All purchases shall be in accordance with budgeted provisions.

Corporate credit cards issued to Purchasing Officers are available for use in situations where urgent payment is required or where payment by credit card provides advantages to the City. For example, certain local and overseas suppliers only accept payment by credit card, payments by credit card to overseas suppliers can save the cost and time of raising bank drafts, or in certain instances discounts are offered for prompt payment. To use the Purchasing Officer's corporate credit card, the "Purchasing Card Request/Petty Cash Reimbursement" form is to be completed and approved before the Purchasing Officer can make the payment by credit card. The "Purchasing Card Request/Petty Cash Reimbursement" form is available on the City's intranet.

It is recognised that the ~~Mayor~~, CEO and Directors will on occasions be required to use their corporate credit card for business hospitality, staff appreciation, travel and accommodation purposes.

5.96.58 Credit Card Limits and Approving Officers

<u>Position</u>	<u>Credit Card Limit</u>	<u>Approving Officer</u>
<u>Chief Executive Officer</u>	<u>\$5,000</u>	<u>Director Corporate Services</u>
<u>Director Corporate Services</u>	<u>\$3,000</u>	<u>Chief Executive Officer</u>
<u>Director Infrastructure & Operations Services</u>	<u>\$3,000</u>	<u>Chief Executive Officer</u>
<u>Director Planning & Community Development</u>	<u>\$3,000</u>	<u>Chief Executive Officer</u>
<u>Purchasing Officer 1</u>	<u>\$3,000</u>	<u>Manager Financial Services</u>
<u>Purchasing Officer 2</u>	<u>\$3,000</u>	<u>Manager Financial Services</u>
<u>Council Steward</u>	<u>\$2,000</u>	<u>Manager Marketing, Communication & Council Support</u>

Position Credit

card limit

Approving officer

Mayor \$5,000 Chief Executive Officer
 CEO \$5,000 Director Corporate Services &
 Resource Management
 Director Corporate Services and
 Resource Management
 \$3,000 Chief Executive Officer
 Director Infrastructure &
 Operations
 \$3,000 Chief Executive Officer
 Director Planning & Community
 Development
 \$3,000 Chief Executive Officer
 Purchasing Officer – 1 \$3,000 Manager Assets &
 Commissioning
 Purchasing Officer – 2 \$3,000 Manager Assets &
 Commissioning
 Council Steward \$2,000 Manager Marketing
 Communications & Council
 Support

5.96.96 Approval and Processing of Credit Card Expenditure

The process of approving credit card expenditure is to ensure that the appropriate documentation and information is attached to meet the City's record keeping, accounting and audit requirements and that all requirements of this and other relevant procedures and policies have been adhered to.

The City pays the Card Provider the amount of all credit card purchases incurred in the month via an automatic direct debit from its bank account. The Card Provider provides the City with a monthly expenditure statement for each card.

The Cardholder shall retain the customer copy of the charge slip together with any other transaction receipts. The Funds Management Officer will send a copy of the monthly Credit Card Statement to the Cardholder. To reconcile the bank payment and to ensure that only approved expenditure has been incurred, the Cardholder must review the monthly statement of payments for the card. The Cardholder must be satisfied that the credit card payments as shown on the monthly statement were for goods or services received, must attach supporting invoices and receipts for all transactions, provide appropriate general ledger codes for costing purposes on the charge slips, attach all charge slips to the monthly statement and sign the monthly statement to confirm that the payments are for goods / services provided to the City of Joondalup. Tax invoices and receipts are required by the City to make a GST claim. Where the goods/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 to allow an assessment of any Fringe Benefits Tax that may apply. The monthly statement should then be forwarded to the Approving officer (or authorized delegate) for review and the Approving Officer is to sign off in recognition that the supporting invoices and receipts are attached and that the expenditure is for business purposes. The statements with supporting documentation should then be forwarded to the Funds Management Officer for checking and posting to the general ledger. Credit card statements not correctly endorsed will be returned for proper sign off and approval, prior to being processed to the general ledger.

Credit card statements submitted without supporting documentation will also be returned to the Cardholder to provide either the missing documentation or to provide a written explanation, where this is not possible. Each monthly corporate credit card statement must have 2 signatures (Cardholder and Approving Officer) as per the table 5.69.58 above. All purchases must have receipts attached to the statement and the "Purchasing Card Request/Petty Cash Reimbursement" form, where appropriate.

5.96.710 Management Review

A system of monthly review will be conducted by the Manager Financial Services to address any anomalies that occur and corrective action will be taken to address those issues.