

ATTACHMENTS



FINANCE & POLICY COMMITTEE MEETING AGENDA

THURSDAY 9 JUNE 2016

~ REFERENCE TO ATTACHMENTS ~

PART A – ACTION

Report 2A – Policy for the Provision and Use of Council’s Corporate Credit Card ..16-23

PART B – INFORMATION

Report 3B – Rates Reconciliation Report as at 31 May 201624-25

COBAR SHIRE COUNCIL



Policy for the Provision & Use of Council's Corporate Credit Card

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PROVISION AND USE OF COUNCIL'S CORPORATE CREDIT CARD

INTRODUCTION

The guidelines for the use of Council's corporate credit card fall into the following categories:

1. **Council Policy:** stating the intended purpose of the corporate card by Council personnel and identifying all relevant documents influencing use.
2. **Controls Over Card Issue:** management of corporate card issue so that the card meets the operational requirements of the Council and assists card holders to efficiently and effectively discharge their duties.
3. **Council Procedures:** clarity of process for both card holders and administrators by setting out instructions for:
 - The review of transactions;
 - Reporting to senior management;
 - Individual card holders.
4. **Card Holder Obligations:** acknowledgment by card holders of receipt of cards and their obligations in using those cards.

COUNCIL POLICY

Purpose of Card

Positions delegated access to and use of Council's corporate credit card are as follows:

- General Manager – maximum limit \$10,000;
- Mayor – maximum limit \$10,000;
- Director of Corporate and Community Services – maximum limit \$10,000;
- Director of Planning and Environmental Services – maximum limit \$5,000;
- Director of Engineering Services – maximum limit \$5,000;
- Director of Nursing – maximum limit \$5,000;
- Manager of Tourism and Public Relations – maximum limit \$5,000;
- Services Manager- maximum limit \$5,000;
- Plant Supervisor – maximum limit \$5,000;
- Manager of Children's Services – maximum limit \$5,000;
- Executive Assistant to the General Manager and Mayor- Maximum limit \$5,000.

The corporate credit card is **NOT-not** to be used for the following transactions:

- Cash advances (**NO EXCEPTIONS**);
- Fines, for example a motor vehicle parking fine or a speeding offence which was incurred while on council business;
- Personal use;

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- Where circumstances beyond the employee's control occur and where the employee is on Council-related business, limited private expenses may be put to Council's credit card. Such expenses may include, but not be limited to, additional room costs where the spouse has accompanied the employee, mini bar, etc. This amount will then be repaid by the employee via the sundry debtor system.

Individual limits are to be set for each card holder ~~at the time an application for a corporate card (by an employee) is approved.~~ by policy statement.

Payment Methods

Council has identified the following approved method(s) of processing transactions:

- Across the counter (the card holder signs a purchase slip at the time of purchase);
- By telephone (the transaction is completed by quoting corporate card details to the supplier). In these circumstances the card holder should maintain a record of transactions.

Discipline

Council practice dictates that:

- Those issued with a corporate card are in a position of trust in regard to the use of public funds;
- Improper use of that trust may render the card holder liable to disciplinary/legal action/criminal prosecution;
- Expenditure by corporate card will be reviewed on a regular basis by the council for compliance with guidelines.

The General Manager reserves the right to immediately revoke the credit card from the employee for any reason.

CONTROLS OVER CARD ISSUE

Register of Users

The Director of Corporate and Community Services shall maintain a Register of Card Holders. The register will detail the name of the card holder, card account number, ~~credit~~ credit limit and expiry date for all cards. The register will be maintained and reflect changes notified to the credit provider bank.

OPERATIONAL CONTROLS

Review of Transactions

Internal control procedures to review and process corporate card transactions are as follows:

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- Monthly statements are to be referred to the card holder for checking, certification and preparation of claims to acquit expenditure;
 - Where expenditure by corporate card is specifically chargeable to a cost centre, only expenditure by approved card holders is to appear on the cost centre
 - ~~Summary~~; be confirmed that expenditure charged to the organisation is incurred by only authorised corporate card holders and on goods/services provided for within established guidelines;
 - Corporate card expenditure to be approved by the card holder's supervisor, certified and authorised by personnel within established financial delegations;
 - The Director of Corporate and Community Services is to ensure that all card holder statements and associated documentation (required for acquittal of the expenditure) are received, examined and appropriately endorsed by the due date;
 - If the required documentation is not received by the due date the Director of Corporate and Community Services shall advise both the card holder and his/her supervisor that documents for acquittal are outstanding and request adjustment as soon as possible.

Reporting to Management

The Director of Corporate and Community Services will ~~periodically~~ annually each June prepare and submit to the General Manager or delegated Officer, a report on corporate card use. The report to include details of:

- Expenditure for the period and year to date in summary form;
- Instances where the use of corporate cards is contrary to council guidelines, for example:
 - Credit limits being exceeded;
 - Acquittal documentation not received on time from card holders;
 - Inappropriate use of the card.
- Any matters noted which affect the efficiency or effectiveness of the corporate card, for example:
 - Cards not used or where usage very low.
- Action taken in relation to matters raised in the report and results of action in response to matters outstanding from previous reports.

Matters for card holders to consider before using the corporate card

- The payment is for a purpose for which the card has been issued;
- The value of goods or services is within the established limit of authority to incur expenditure or an Officer with an appropriate financial delegation has approved the expenditure;
- The purchase is not split into individual amounts above delegated limits;
- The proposed transaction will not cause the credit limit to be exceeded;
- The corporate card is not used routinely to circumvent compliance with the normal requisitioning;
- Regular or periodic payments are not charged against corporate card accounts without prior approval.

Review of Statement

The card holder should review his/her corporate card statement and undertake the following duties on a monthly basis;

- Verify that each entry on the statement is correctly charged;
- Report to the relevant section within the council concerned any disputed transactions. These should be passed on to the Bank Service Centre.

Acquittal of Expenditure

In order to account for corporate card expenditure the card holder should provide the following documentation:

- ~~Approval to make purchases or undertake travel;~~
- ~~Original docket~~ Tax invoices containing sufficient detail for reviewing Officers to be able to gain an assurance that the expenditure is valid and relates to the official business of the council;
- ~~Provide a~~ written explanation and account codes for each transaction;
- Endorsement of the corporate card statement to the effect that all entries accurately reflect the transactions made during the month and were for Council official purposes;
- ~~A completed travel claim (contingency voucher) and/or general claim.~~

Review of Corporate Card Usage

An independent reviewing Officer is to examine on a regular basis the documentation provided by the card holder to ensure that expenditure is valid and incurred in an official capacity.

Submission of Documentation

~~Ensure that acquitted documentation (endorsed by reviewing Officer) is provided by the end of each month.~~

Periodic Reconciliation

Each cardholder should periodically reconcile their own records of corporate card use with reports received from the card supplier. The use of a running sheet by the cardholder is recommended where the volume of corporate card transactions is significant.

Cancellation of Card

Where corporate cards are no longer required including cessation of employment the card holder should ensure that:

- All outstanding transactions are cleared and properly accounted for;
- The card is returned to the Officer responsible for the issue of corporate card who is to arrange for the card's destruction and the Bank advised;
- The Officer returning the card is to obtain an acknowledgment for the return of the corporate card.

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Card Holders on Extended Leave

Card holders who take three months or more of extended leave must surrender their corporate card during this time.

Safe Custody of Cards

Card holders are personally responsible and accountable for the safe custody of the corporate card issued. Card holders should:

- Secure the card at all times to safeguard against loss or theft;
- Ensure that personal identification numbers (PINs) are not written on nor carried with cards or within the wallets of the card holder;
- In the event that a corporate card is lost or stolen the card holder should :
 - Telephone the bank as soon as the loss is discovered;
 - Report the loss to the Director of Corporate and Community Services.

Damaged Cards

In the event of a damaged card the card holder should return the card to the designated Officer for destruction and replacement.

CARD HOLDER OBLIGATIONS

Card Holder Acknowledgement

The card holder is to acknowledge receipt of the corporate card and instructions for use.

The acknowledgment from a card holder should include that the card holder will abide by all Council and card supplier guidelines and conditions of use.

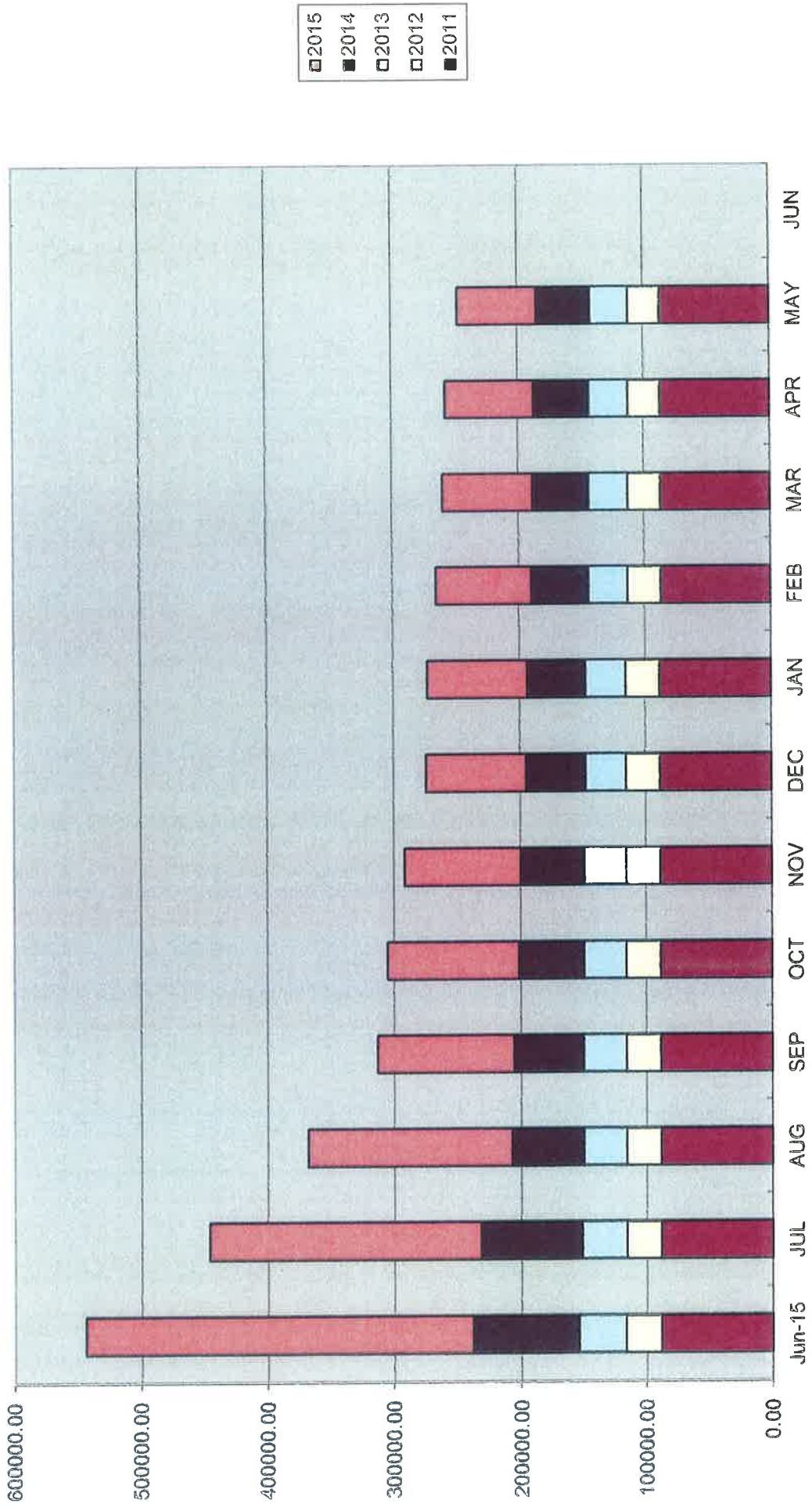
~~SIGNED for and on behalf of
THE COUNCIL OF THE SHIRE OF COBAR
By THE GENERAL MANAGER~~

In the presence of:

~~SIGNED by the Employee~~

In the presence of:

Rate Arrears 2015-2016
General Rates, Water Access, Sewer, Domestic Waste, Interest & Legal Costs



Total Rates Outstanding
General Rates, Water Access, Sewer Usage, Domestic Waste, Legal Costs, Interest

