



POLICY – 4.5 – Credit Card Policy

Relevant Delegation

N/A

1. Objective

To enable payments or purchases where normal creditors process is not available.

2. Policy Statement

2.1. From time to time purchases are necessary from businesses that do not accept a Purchase Order, or in circumstances where it is impractical to obtain a Purchase Order or make alternative arrangements.

2.2. Eligibility

The Chief Executive Officer is authorised to hold a Corporate Credit Card to a maximum of \$25,000.

In the absence of the Chief Executive Officer, and an Acting Chief Executive Officer is appointed, and the term of the appointment is for more than 4 weeks, the Acting Chief Executive Officer is authorised to hold a Corporate Credit Card to a maximum of \$25,000.

The Deputy Chief Executive Officer is authorised to hold a Corporate Credit Card to a maximum of \$12,500.

2.3. Appropriate Use

The cardholder may use the card to purchase goods and services in person or by mail, telephone, fax order, internet or email from supplier, provided that–

1. the card is used for the purchase of goods and services where the normal system of acquisition and payment is not feasible or practical.
2. The purchase is for Shire business and within the cardholder's authority.
3. The value is within the credit limit set.
4. It is deemed necessary to use the card in remote or emergency situations.

2.4. Excluded Uses

The credit card is for Shire purchases only and must not be used for –

- Obtaining cash, bank cheques or similar by any method
- Purchase of goods or services of a personal nature
- Any entity without an Australian Business Number (ABN)

2.5. Managing the Credit Card

In managing the credit card, the cardholders have a responsibility to–

- Adequately secure the credit card
- Bear any cost of any charges deemed by Council to be of a personal responsibility

- Immediately advise the card provider and Chief Executive Officer if the card is lost or stolen. If the Chief Executive Officer or Acting Chief Executive Officer card is lost or stolen, to immediately advise the card provider and the Chief Financial Officer.
- Ensure that the credit limit placed on the card is not exceeded
- Ensure that the credit card is not used by anyone other than the cardholder
- Ensure that appropriate documentation is kept for reconciliation. If documentation is not available, written justification of the expense is required.

2.6. Misuse of Credit Card

The cardholder will be considered to have misused the card if they fail to meet their responsibilities as described above. Misuse of the credit card may result in –

- The cancellation of use of the Corporate Credit Card
- Disciplinary action being taken
- The cardholder being required to bear the cost of any charges incurred by Council arising from misuse by the cardholder.

2.7. Return of Corporate Credit Card

The cardholder must return the credit card if –

- no longer employed as cardholder of the Shire of Menzies
- Has been suspended or dismissed by Council
- Otherwise requested by Council

2.8. Reconciliation Procedures

Each month the officer in charge of Bank Reconciliations will;

- Ensure that statements are distributed to the cardholder for authorisation and providing documentation.
- The Accounts Officer or person undertaking that role is to check that all purchases are within the guidelines for Policy 4.5 – Credit Card Facilities.
- The Chief Executive Officer, Acting Chief Executive Officer, Deputy Chief Executive Officer, Chief Financial Officer and Accounts Officer is to carry out checks each month and sign the Reconciliation document.
- A full reconciliation of the credit card use is completed.
- Expenditure to be summarised and presented to Council with list of payments.

– End of Policy

COMMENT

Is compliant with Dept of Local Government & Communities Guidelines No.11 Use of Corporate Credit Cards. The Guidelines do suggest some additional requirements; however, these are not considered necessary at this time, but will be further reviewed as necessary.

Formerly	Policy 2.7 – Replaced 29 November 2012	
New Policy		
Last Reviewed	28 May 2020	02 June 2022
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Amended		
Adopted	28 May 2020 30 August 2018	15 June 2016
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