





**Murrumbidgee**  
COUNCIL

# Credit Card Policy

	Name	Position	Signature	Date
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Authorised By	John Scarce	General Manager		28.5.19.

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## Contents

### 1. Purpose of Credit Cards

Murrumbidgee Council credit cards are issued to employees for the payment of appropriate business expenses.

Murrumbidgee Council credit cards may be used as a payment option, if effective and efficient, to settle procurement activities, including procurement of travel, approved business entertainment expenditure, and low value goods and services where Murrumbidgee Council credit card is the preferred method of payment.

This policy is supported by the Murrumbidgee Council Credit Card Procedure, which is intended to ensure a clear and consistent understanding and implementation of this policy.

Using a credit card is a means to engage in a procurement activity. Murrumbidgee Council's Procurement Policy and Procedure therefore apply, and all card holders and Finance Manager must be aware of the Procurement Policy. This policy also assists the Murrumbidgee Council credit card holders in remaining within the bounds of the Murrumbidgee Council Code of Conduct, specifically the "using Council resources ethically, effectively, efficiently and carefully in the course of official duties".

Individuals to whom Murrumbidgee Council issues a corporate card are placed in a position of trust. Intentional misuse of Murrumbidgee Council credit cards represents a breach of trust, and any misuse, whether intentional or otherwise, may expose the Council to significant risk, including the risk of regulatory investigation and damage to reputation. Intentional misuse may also lead to disciplinary action.

### 2. Issuance

Murrumbidgee Council may issue a Murrumbidgee credit card to individuals who:

- Hold a position that involves a regular and demonstrated need to purchase in-scope specific goods or services, and/or has regular travel on Murrumbidgee Council business.
- Are willing to accept the terms, conditions and processing obligations of Murrumbidgee credit card usage; and
- Have an approved financial delegation.

Credit limits will be set to minimise risk to the Council without constraining employees in effectively undertaking their roles.

### 3. Cardholder Responsibilities

All individuals issued with a Murrumbidgee Council credit card must comply with the following:

- All expenses must be for a legitimate Council purpose, meaning they are reasonable and appropriate in the circumstances, and publicly defensible.

The expenditure must not be or perceived to be excessive and must meet the following characteristics:

- Necessary to perform a valid business purpose fulfilling the mission of the Council;
  - Reasonable in that the expense is not extreme or excessive, and reflects a prudent decision to incur the expense;
  - Appropriate in that the expense is suitable and fitting in the context of the valid business purpose; and
  - Allowable according to the terms of any Federal regulation, sponsored contract, or Council policy.
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- For all transactions, original receipts or tax invoices must be obtained at the time of the transaction (including for contactless transactions);
  - Personal expenditure must not be charged to the credit card, even if it is intended to subsequently repay the expenditure, except in extreme and defensible circumstances, in which case repayment must be made;
  - Credit cards must be kept secure and under no circumstances should PINs (Personal Identity Numbers) be shared with third parties;
  - Purchases must not be split into smaller transactions (or over multiple credit cards) to circumvent expenditure or transaction limits;
  - All credit card statements must be reconciled and approved within one month after statement date.

Failure to use the credit card in accordance with this Policy and the Murrumbidgee Council Credit Card Procedure will result in revocation, possible disciplinary action and a possible requirement for repayment by the employee. In circumstances of intentional non-compliance, both Human Resources and Internal Audit will be informed.

Fraudulent or other intentional misuse of the credit card will be reported by Murrumbidgee Council to the police and may also be reported to the Independent Commission Against Corruption.

#### **4. Roles and responsibilities**

The General Manager has overall responsibility for the implementation and review of the Credit Card Policy and Procedure and communication of the Policy and Procedure to credit card holders and supervisors.

The Finance Manager will ensure that appropriate procedures are in place to support the Murrumbidgee Council Credit Card Policy and Procedure, and are communicated to Council credit card holders. Finance Manager will ensure there are appropriate administrative procedures in place to support the credit card holders.

The Finance Manager is responsible to ensure the credit card holders comply with the Policy and Procedure through review and approval of the credit card holder's transactions.

The Finance Manager will monitor the unreconciled and unapproved credit card expenditure. The Finance Manager will conduct monthly reviews of the credit card use and expenditure.

Periodic audits may be conducted into compliance with the Credit Card Policy and Procedure by Internal Audit.

## 5. Additional Information:

Supporting Information	
<ul style="list-style-type: none"><li>Legislative:</li><li>Supporting Documents</li></ul>	<ul style="list-style-type: none"><li>Not Applicable</li><li>Credit Card Procedure</li><li>Murrumbidgee Council Code of Conduct</li><li>Procurement Policy</li><li>Procurement Procedure</li><li>Fraud and Corruption Prevention Policy</li><li>Gifts and Benefits Policy</li><li>Payment of Expenses &amp; Provision of Facilities Policy</li></ul>
Definitions:	
Cardholder	The staff member whose name appears on the Murrumbidgee Council credit card
Personal Expenses	Any expense that is not for Murrumbidgee Council business purposes
Reconcile	The processing of a card transaction and attaching all the relevant tax invoices, so as to allow for the correct cost allocation, GST and FBT treatment of the expense within the Murrumbidgee Council financial reporting system.
Transaction Limit	Maximum amount of expenditure allowed per month
Murrumbidgee Council Credit Card	Credit Card provided by Murrumbidgee Council.