



POLICY STATEMENT

CORPORATE PURCHASE CARDS

PURPOSE

To provide clear direction on the use of Corporate Purchase Cards by City officers.

POLICY

The City, in order to enhance daily purchasing processes and reduce administrative costs, will authorise the issue, by its preferred financial provider, of Corporate Purchase Cards.

1. DEFINITIONS

Cardholder - An employee who has been authorised by the Chief Executive Officer or Director to incur expenditure by means of a Purchase Card.

Purchase Card - A card facility used to purchase goods or services required by the City.

2. OBLIGATIONS OF THE PURCHASE CARDHOLDER

2.1 Purchase Card Usage

Purchase Cards will be issued with a single maximum transaction limit and an overall monthly limit. Neither of these limits are to be exceeded.

Cardholders must ensure the purchase card:

- Is used only for the purchase of goods and services on behalf of the City with a value of less than \$1,500 (GST inclusive);
- Is not used for cash advances, including withdrawals of cash from a branch, ATM or merchant;
- Is not used for expenditure on personal items or services;
- Is not used for goods that are available at the City's stores, e.g. hand wash, paper towels (*refer to City's intranet for a list of common inventory items available*);
- Is not used for the purchase of fuel for a City vehicle, unless in a situation where an officer is unable to use their fuel card or access the Operation Centre's fuel pumps;
- Is not used for the purchase of alcohol or to make a purchase at any place which supplies gambling activities, such as newsagents; and
- Is not used with any type of reward system that provides cardholders with any personal benefit or reward (for example, Flybuys or any type of loyalty card).

The cardholder:

- Shall not split purchases over multiple transactions to avoid exceeding purchasing limits;
- Must keep the card in a safe place;
- Must not release details to another officer that would enable that officer to use the card (only the officer issued with the card is authorised to make purchases on that card); and



- Must report it immediately to the financial institution, the Chief Financial Officer, or the Coordinator Finance, if the card is lost, stolen and/or damaged.

Financial institutions will only discuss card details with the cardholder. Therefore the cardholder will need to contact the financial institution directly to suspend or cancel the card.

2.2 Transaction evidence

- (a) A sufficient transaction record for each purchase must include a tax invoice and/or receipt that includes the date, company name, address, ABN, purchase amount and any GST included.
- (b) In the event that it is not possible to acquire a tax invoice/receipt, subject to clause (c), a Statutory Declaration must be provided detailing the nature of the expense and confirming that the purchase was made in the course of conducting City business.
- (c) A statutory declaration is not required where the transaction relates to parking and the cost is \$25 or less.

2.3 Acquittals

It is the responsibility of cardholders to retain sufficient transaction evidence. All purchases are to be acquitted electronically in the City's Finance system within 15 working days of the purchase. Where a cardholder is on leave or absent from work and therefore unable to acquit a purchase on their card within the 15 day timeframe, they are to acquit the purchase within five working days of returning to work.

Acquitted purchases will be referred via the City's Finance system for review and approval as follows:

- Purchases by Officers will be referred to the relevant Supervisor or Coordinator.
- Purchases by Coordinators will be referred to the relevant Manager.
- Purchases by Managers will be referred to the relevant Director.

Disputed amounts must be investigated by the cardholder and notification must be provided immediately to the financial institution and the Coordinator Finance.

In the event of an accidental personal purchase, the cardholder must notify their Director/Manager/Coordinator and the Coordinator Finance as soon as practicable, and will be required to repay the purchase to the City within 10 days of the purchase occurring.

3. TERMINATION OF EMPLOYMENT

Purchase cards must be returned to the cardholder's Supervisor on termination of employment of the cardholder. The Supervisor must return this card to the Coordinator Finance for cancellation. The cardholder remains responsible for providing details of any expenditure included on a purchase card statement up to and including their final day of employment.

The Coordinator Finance will destroy the card and contact the bank within 5 working days to cancel the card.

**4. CARDHOLDER ACKNOWLEDGEMENT**

The cardholder must sign a 'Letter of Acknowledgement and Declaration' acknowledging their responsibilities to comply with this policy when using purchase cards.

5. CARDHOLDER REGISTER

The Chief Financial Officer shall ensure that a register of all Corporate Purchase Cards is maintained.

6. NON-COMPLIANCE AND IMPROPER USE OF PURCHASE CARDS

Failure to comply with this Policy will result in the card being suspended or cancelled and dependent on the breach, disciplinary action may be taken.

In addition, the cardholder's Director/Manager/Coordinator and Director Business Services or Chief Executive Officer will have the discretion to suspend or cancel the card at any time if suspected improper use occurs. Improper use includes misuse and/or fraudulent use.

All holders of Corporate Purchase Cards are in a position of trust in regard to the use of public funds and any breach of that trust may render the cardholder liable to disciplinary/legal action/criminal prosecution.

GOVERNANCE REFERENCES

Statutory Compliance	Local Government Act 1995 Section 2.7(2) (a) and (b) Local Government (Financial Management) Regulations 1996 Regulation 11 (1) (a)
Industry Compliance	N/A
Organisational Compliance	N/A
Process Links	Council Policy 4.1.10 – Corporate Credit Card

POLICY ADMINISTRATION

Directorate		Officer Title		Contact:	
Business Services		Chief Financial Officer		9397 3000	
Risk Rating	Low	Review Cycle	Triennial	Next Due:	2026
Version	Decision Reference	Synopsis			
1.	OCM 387/20/11/2018	New policy adopted.			
2.	OCM 126/11/06/2019	Amended to show electronic acquittal			
3.	OCM 96/18/04/2023	Reviewed and amended.			