

POLICY

TITLE:	Credit Card Policy (Elected Members and CEO)		
DIRECTORATE:	Council		
ADOPTED BY:	Council Resolution: OMC-24/355		
DATE OF ADOPTION:	29 November 2024	DATE OF REVIEW:	29 November 2026
POLICY NUMBER:			
LEGISLATIVE REF:	<i>Local Government Act 2019; Guideline 3: Borrowing</i> <i>Local Government (General) Regulations 2021; Section 6</i>		

1. INTRODUCTION

1.1. Purpose

The purpose of this Policy is to ensure that effective controls, policies and procedures are in place with respect to the use of corporate credit cards (credit cards) by elected members and the Chief Executive Officer (CEO).

1.2. Scope

This Policy covers all Elected Members and the CEO who are issued with a Council Credit Card.

1.3. Responsibilities

All persons within scope of this Policy are required to adhere to this Policy and its associated procedures.

Finance is responsible for the overall management of this Policy.

1.4. Policy Objectives

- 1) Credit cards are a valuable tool for the efficient and effective operation of the Council's daily business and not a benefit assigned to specific individuals.
- 2) Credit cards should only be used in situations where it is not reasonably possible or cost effective to go through the Council's normal procedures for the ordering of and / or payment for goods or services.
- 3) The Council will apply best practice in relation to the management, authorization and use of credit cards.

2. APPLICATION OF POLICY

2.1 Issue of Credit Card

Before a credit card is issued, the recipient must agree to, and sign, the **Corporate Credit Card Agreement**.

Council will maintain a Register of credit cards issued to the CEO and elected members, including details of the approval, the cardholder, the institution, expenditure limits and the expiry date.

2.2 CEO Credit Card

Council will authorise the issue of a credit card to the CEO with a monthly credit limit of \$20,000.

The credit card is to have no cash advance facilities. The credit card is not linked to any form of award points. Council may further limit the purpose for which the credit card may be used.

2.3 Elected Member Credit Cards

Council may resolve to issue a credit card to an elected member only if the card is necessary for the elected member to perform their functions and it is not reasonably possible to use the Council's normal procedures for ordering or payment for goods or services. Council must resolve the monthly and transaction limits to be applied up to a monthly credit limit of \$5,000.

The credit card is to have no cash advance facilities. The credit card is not to be linked to any form of award points. Council may further limit the purposes for which the credit card may be used.

2.4 Use of Credit Card

- a) It is the responsibility of the cardholder to ensure that limits are not exceeded.
- b) Personal expenditure is not to be charged to a credit card under any circumstances. The cardholder is not to gain any personal benefits from being the holder of the card.
- c) Any expenditure using the credit card must comply with legislative requirements, Council's procurement policy, delegations and directions.
- d) Cardholders are responsible for the safe custody and security of the card and are liable for any misuse and associated costs.
- e) The cardholder is not to allow others to use the credit card and must not disclose the personal identification number (PIN) or access codes to any person.
- f) Each council member's credit card is to be reconciled monthly, and that reconciliation is to be reviewed and subsequently authorised by the CEO.
- g) The CEO's credit card is also to be reconciled monthly. However, that reconciliation is to be reviewed and subsequently approved by the Mayor.
- h) The cardholder must ensure that all required documentation specified below is kept in relation to every use of the credit card.
- i) The cardholder must keep up to date with monthly reconciliations.
- j) The cardholder will be personally liable for purchases that are not authorised and / or cannot be shown to be related to the business of the Council.

2.5 Required Supporting Documentation

Supporting documentation must be obtained by the cardholder for each instance of expenditure incurred when using the credit card. For all transactions there must be a tax invoice that includes:

- (a) the Supplier's name;
- (b) the Supplier's Australian Business Number (ABN);
- (c) the date of the expenditure;
- (d) the Council's name as the purchaser; and
- (e) a brief description of the supplies purchased.

The standard machine receipt, which does not contain all of these details, is not acceptable, as the tax invoice must contain the criteria above in order for the Council to reclaim GST.

In the instance that a valid tax invoice is unable to be practically obtained it will be at the discretion of the Chief Financial Officer as to whether a statutory declaration will be required.

2.6 Supporting Documentation (Not Available or Lost)

If the supporting documentation is for some reason lost or destroyed, a statutory declaration must be completed by the cardholder giving full details of the transaction and explaining why the documentation is not available.

A statutory declaration form can be found at <https://nt.gov.au/law/processes/statutory-declarations>. Credit card reconciliations must not be approved without appropriate supporting documentation or an appropriate statutory declaration. In instances of repeat lost or destroyed cards, Council may decide to cancel the credit card for the individual concerned, as this poses a significant risk and concern to Council.

Where supporting documentation for a CEO's purchase cannot be provided, the Mayor must not approve the monthly credit card reconciliation without a statutory declaration being attached.

If a cardholder regularly makes use of a statutory declaration, the matter of repeated failure to keep tax invoices must be brought to the attention of Council and the Council will consider whether it is appropriate for the person to continue being a cardholder.

2.7 Credit Card Reconciliation

Each cardholder will be issued with a monthly credit card statement listing all their purchase transactions for that particular month. It is the responsibility of the cardholder to match their supporting documentation to the monthly statement and return all documentation to Finance within seven (7) days of receiving the statement. The reconciliation must include information for each transaction according to the following requirements.

- a) The CEO approves reconciliations of credit cards held by elected members. The Mayor approves the reconciliation of the CEO's credit card.
- b) Repeated failure to meet the required timeframe must be brought to the attention of Council and the Council must consider whether it is appropriate for the person to continue being a cardholder.
- c) The CEO is to notify the Mayor and Council's finance department as soon as possible if there is a disputed card transaction in relation to the credit card held by the CEO. An elected member is to notify the CEO as soon as possible if there is a disputed card transaction in relation to a credit card held by that elected member.
- d) Where a council member's credit card has been inadvertently used for personal use, the CEO must not approve the monthly credit card reconciliation unless the amount has been repaid to Council and a receipt is attached.
- e) Where a CEO's credit card has been inadvertently used for personal use, the Mayor must not approve the monthly credit card reconciliation unless the amount has been repaid to Council and a receipt attached.

2.8 Credit Card Cancellation and Replacement

If a credit card is lost or stolen, the cardholder must immediately contact the issuing institution to report the loss and cancel the card. If the cardholder is an elected member, the matter must be reported to as soon as possible to the CEO. If the CEO is the cardholder, the matter must be reported to the Mayor.

In the above circumstances, the CEO is to ensure that the credit card has been cancelled, arrange a replacement card (if appropriate) and update the Credit Card Register

2.9 Return of Credit Card

The cardholder is to return the credit card to the Council as soon as the card is no longer required or, if leaving the Council, on or before the last day with Council.

The CEO is to ensure that all returned credit cards are cancelled, destroyed and that the register is updated.

3. RELEVANT POLICIES

Policies and procedures to be read in conjunction with this policy are:

- 1) Corporate Credit Card Agreement
- 2) Codes of Conduct (Elected Members and CEO)
- 3) Credit Card Register
- 4) Borrowing Policy
- 5) Delegations Manual

4. IMPLEMENTATION AND REVIEW

4.1. Implementation

Relevant personnel will be made aware of this policy. It is not a requirement of the Act to publish this Policy on the Barkly Regional Council website.

4.2. Review

This policy will be reviewed on or before 29 November 2026.

5. VARIATIONS, REVOCATIONS AND/OR CHANGES

Barkly Regional Council reserves the right to revoke and/or amend this policy from time to time as is considered necessary to better manage its business and/or to comply with any legislative requirements. Employees will be given sufficient notice of any such revocations, amendments, or changes.

6. APPROVAL

This policy is approved.

Chris Kelly
Chief Executive Officer



Signature

29 Nov 2024

Dated

END