



# Corporate purchase card policy

<b>Classification</b>	Policy
<b>Strategic reference</b>	Goal 4 Governance and Organisational Culture
<b>Relevant legislation</b>	Local Government Act 1999 A New Tax System (Goods and Services Tax) Act 1999 (Cth)
<b>Relevant documents</b>	Procurement Policy Internal Financial Control Policy Corporate Purchase Card Agreement Form Employee Conduct Policy
<b>Responsible officer</b>	Manager Corporate Services
<b>Date adopted</b>	May 2023
<b>Next review date</b>	May 2026

## 1 Policy objective

The purpose of this policy is to control the distribution and use of corporate purchase cards within Council and to ensure sound governance of expenditure incurred by cardholders for business purposes and public benefit on behalf of Council.

## 2 Scope

This policy applies to all employees who have been issued with a corporate purchase card.

## 3 Policy statement

Council operates a corporate purchase card system which permits a limited number of cards to be issued to appropriate operational staff throughout the organisation. Corporate purchase card holders and their card limits will be reviewed every twelve months by the Coordinator Organisational Development to ensure the cards and limits are appropriate. This policy should be read in conjunction with council's Procurement policy, Corporate Purchase Card Agreement Form, Employee conduct policy and Internal financial control policy.

### 3.1 Corporate purchase card holders and limits

Position	Limit
Chief Executive Officer	\$5,000.00
Manager Corporate Services, Manager Infrastructure Services and Manager Property and Development Services	\$4,000.00
Coordinator Executive Services, Coordinator Infrastructure Services, Coordinator Organisational Development and Coordinator Childcare Services	\$2,000.00

### 3.2 Approval of new corporate purchase card holders and limits

All new corporate purchase card requests are to be approved by the CEO and ordered by the Coordinator Organisational Development. A card holder's individual transaction limit should not exceed their current financial delegation (though the cumulative monthly limit may be higher than their financial delegation) and this should be checked regularly by the Corporate Services Officer - Finance.

Card holders must participate in a corporate purchase card induction with the Coordinator Organisational Development prior to being issued with their new card. Part of this induction requires card holders to acknowledge they have read this policy and sign the Corporate Purchase Card Agreement Form – refer attachment 1.

### **3.3 Transaction limits**

Each corporate purchase card has a capped individual transaction limit. This limit is usually less than the cumulative monthly limit. The individual transaction limit should not exceed the card holder's financial delegation as identified at 3.1 – Corporate purchase card Holders and Limits. The CEO has final approval over each card holder's limit. Should a higher transaction limit be required than the card holder's financial delegation, due process should be followed to increase that card holder's financial delegation before a limit is approved that exceeds it. Any changes to original limits must be approved by the CEO.

### **3.4 Use of corporate purchase card**

Corporate purchase cards are solely for corporate purchases which must demonstrate a clear business purpose and public benefit; no personal expenses are to be incurred whatsoever on a Council corporate purchase card. If a personal expense is unintentionally charged to a corporate purchase card, the Card holder will be liable for those transactions and required to refund council.

Misuse of a corporate purchase card may result in disciplinary action commensurate with the severity of the breach.

Breaches include:

- Misuse of a corporate purchase card for non-Council related purchases;
- Untimely submission of reconciled and costed corporate purchase card monthly statements;
- Any breach of this policy;
- Falsely claiming transactions as Council business; and
- Not keeping the corporate purchase card secure.

Disciplinary action may include:

- Reduction in the card holders limit;
- Suspension/removal of corporate purchase card from the card holder;
- Disciplinary and performance management of the card holder; or
- Termination of employment of the card holder.

Cash advances are strictly prohibited and as such this facility is not available on any corporate purchase card.

Corporate purchase cards should not be used when there is an alternative form of procurement and payment available to the card holder at the time of purchase (for example, raising a purchase order for supply of goods and services or receiving an invoice to pay for the goods/services). Corporate purchase cards are not to be used to circumvent the Procurement policy.

Corporate purchase cards may be used to purchase fuel when there is not an approved supplier account available or any fuel card facility available.

All transactions must be supported with an Australian Tax Office (ATO) approved tax invoice/receipt suitable for confirming GST amounts (if applicable). In the event a tax invoice is not available or is misplaced a signed declaration outlining the details of the purchase and circumstances around the lack of supporting evidence is to be provided.

### **3.5 Disputes**

Any transaction unable to be verified must be reported to the CEO or in the case of the CEO to the Mayor.

### **3.6 Month-end approval process and reviews**

All transactions listed on corporate purchase card statements are to be reconciled monthly with supporting documents that include costing details, attached to the monthly statement. Statements are to be signed by the approving manager, and in the case of the CEO witnessed by the Manager Corporate Services, and returned to the Corporate Services Officer - Finance by the 21<sup>st</sup> day of each month.

For further financial transparency and scrutiny the CEO's purchase card expenditure will be reported to the audit committee at least twice annually for independent review.

### **3.7 Cessation of employment**

Corporate purchase cards are to be cancelled immediately on termination of employment/association of the card holder. This is the responsibility of the Coordinator Organisational Development.

### **3.8 Lost/stolen cards**

It is the card holder's responsibility to contact the Coordinator Organisational Development immediately if their card is lost or stolen. A replacement card can only be ordered by the Coordinator Organisational Development once advised that approval has been granted by the employee's approving manager.

## **4 Complaints**

If a member of staff wishes to make a complaint about a breach of this policy, they should do so in writing to the CEO, outlining who the individual is, the alleged breach(es) and outline any evidence they have. The CEO will then instigate an internal investigation to verify the breach(es) before determining the most appropriate course of action (if any).

## **5 Training**

Council is committed to supporting card holders and other employees in complying with this policy and any associated procedures.

All card holders will be trained during their induction and any additional training needs will be reviewed annually during individual performance reviews and/or as necessary in consideration of any changes.

## **6 Policy review**

The effectiveness of this policy will be reviewed every three years or as necessary.

## **7 Further Information**

This document is available on Council's website [www.southernmallee.sa.gov.au](http://www.southernmallee.sa.gov.au) and at the principal office of the Southern Mallee District Council at Day Street, Pinnaroo SA 5304.

A copy of this document may be purchased from Council.



# Attachment 1

## Corporate Purchase Card Agreement

Employee Name \_\_\_\_\_ Position \_\_\_\_\_

Card Limit \$ \_\_\_\_\_ Card approved by CEO - Yes / No (circle) Master register updated - Yes / No (circle)

1.	Agreement Condition	
1.1	I have read and understand the contents of the Procurement Policy and the Corporate Purchase Card Policy and the associated processes to ensure compliance with the policy and use of the card allocated to me for business purposes	<input type="checkbox"/>
1.2	I am responsible for the security, confidentiality and observance of conditions for the use of the Corporate Purchase Card	<input type="checkbox"/>
1.3	I will not use my card, nor permit it to be used, for any item other than authorised purchases in line with the adopted budget or as authorised by a relevant Manager	<input type="checkbox"/>
1.4	The card remains the property of ANZ and can be cancelled at any time by the bank	<input type="checkbox"/>
1.5	My ANZ Corporate Purchase Card has a monthly credit limit and I will not exceed that limit during the course of any given month	<input type="checkbox"/>
1.6	I will not use the card for any personal expenses; I will provide proper documentation (tax invoices/receipts) as proof of purchase for each transaction made	<input type="checkbox"/>
1.7	Cash withdrawals are not permitted, and cash refunds must not be accepted for purchases made with the card. All credits must be made back through the purchase card system	<input type="checkbox"/>
1.8	I will reconcile my card statement on a monthly basis (with proof of purchases attached) that evidence and demonstrate purchases are for business purposes and for public benefit	<input type="checkbox"/>
1.9	A Corporate purchase card is a valuable work privilege for my position in council and I understand that if I misuse it, that it may be confiscated and disciplinary action may be taken	<input type="checkbox"/>
1.10	If my card is misplaced, lost or stolen, I am to report it immediately to the Coordinator Organisational Development who can put an immediate temporary suspension on the card	<input type="checkbox"/>
1.11	In the event of my retirement or resignation from Council, I will return my Corporate Purchase Card to the Coordinator Organisational Development	<input type="checkbox"/>

I acknowledge that I have read and understood the conditions set out above which govern the issue of an ANZ Corporate Purchase Card issued in my name.

Card holder Name \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

Coordinator Organisational Development \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_