

SUBMISSION TO FLINDERS COUNCIL

DRAFT CORPORATE CREDIT CARD POLICY

INTRODUCTION:

I refer to a decision recorded by minute 119.05.2017 (18 May 2017) which records that Flinders Council resolved to accept a draft Credit Card Policy and allow it to lay on the table for 28 days for community comment. I make the following submission on the draft policy. I had reservations about some aspects of the draft at the time it was considered at a council meeting, but decided to withhold suggested changes because they would have considerably delayed the progress of the meeting.

I had intended, *inter alia*, to introduce a definition of Tax Invoice as recommended by the Audit Office in a letter to the mayor dated 13 April 2017. However, following discussions I have accepted advice from the General Manager that such an inclusion is not necessary because the definition is defined in Commonwealth statute. I thank Mr Boehm for his counsel.

This submission should be read in conjunction with an attached draft revised policy.

SUGGESTED CHANGES:

Clauses 1, 2 and 10; I suggest some tidying up of wording.

Clause 4; I suggest a definition of Tax Invoice to fit the Australian Tax Office definition. This should give the Audit Office satisfaction.

Clause 6; I suggest some additional wording so that clause 6 does not conflict with clause 8 which it does in the draft form.

Clause 7; I suggest changing "expenditure" to "purchases". Purchases include the acquisition of goods and services. Expenditure simply refers to the acquisition of services.

Clause 8; I suggest some tidy up of wording. And also I suggest the inclusion of a clause which says that in the case of any inconsistency between the policy and the procedure that the policy overrides the procedure.

POLICY AND PROCEDURE:

Before the council approves the policy it should review the draft procedure to ensure consistency.

RECOMMENDATION:

It is my suggestion that future reviews of policies should be accompanied, where applicable, by reviews of the relevant procedures. This would ensure that a review of both the policy and procedure is performed contemporaneously to ensure consistency. This practice would certainly make the review process more efficient.

Gerry Willis; 13 June 2017



CORPORATE CREDIT CARD POLICY

FILE NO: FIN/0502

ADOPTED BY COUNCIL: 20 August 2009

AMENDED BY COUNCIL: 18 June 2015

AMENDED BY COUNCIL: 18 May 2017

MINUTE NO: 308.08.09

MINUTE NO: 172.06.2015

MINUTE NO: 119.05.2017

Corporate Credit Card Policy

1. Introduction

Flinders Council operates a corporate credit card facility for use by approved persons for purchases in accordance with Council policies. This policy applies to all Council corporate credit cards.

2. Issue of Cards

Corporate credit cards will only be issued to the Mayor and personnel approved by the General Manager and Corporate Services Manager, for expenditure as outlined in the Credit Card Procedure, as endorsed by Council.

Before being issued their a card, each cardholder must sign a declaration that they have she or he has read and understood and will be bound by this policy and associated procedure.

Upon termination of employment or office of Council, the credit card must be returned to Council.

The General Manager has the right to terminate the card at any time.

3. Security

The individual cardholder is responsible for the security and use of their card. The card can only be used by the cardholder except when otherwise authorised by the cardholder.

4. Usage Documentation

~~Complete documentation~~ Documentation (including a ~~'tax invoice'~~ Tax Invoice or receipt) to support all purchases must be provided promptly to the Accounts Department. Failure to provide this documentation may result in the General Manager or Corporate Services Manager determining that the card holder is personally liable for the expense purchase.

A Tax Invoice ~~is an invoice which has a Supplier's ABN~~ is a document which complies with the requirements of a Tax Invoice as determined by the Australian Tax Office. If a Tax Invoice or receipt is not ~~able to be~~ supplied, then a signed Statutory Declaration to that effect will need to must be provided by the cardholder to the General Manager or Corporate Services Manager.

In accordance with the Statutory Rules for Audit Panels, the council Audit Panel will review the internal controls which are in place for the payment of credit card purchases.

5. Credit Limit

The credit limit for each card will be based on the usage of the card and approved by the General Manager or Corporate Services Manager.

6. Cash Withdrawal and Personal Use

Corporate Credit Card Policy

Corporate Credit Cards are not to be used to withdraw cash or for personal ~~expenditure~~purchases except when done so in accordance with clause 8.

7. Certification of ~~Expenditure~~Purchases

The Corporate Services Manager will certify the ~~expenditure~~purchases incurred on all cards held by staff.

The final certification of all Employee and Councillor ~~expenditure~~purchases will be made by the General Manager.

The final certification of the General Manager's ~~expenditure~~purchases will be made by the Corporate Services Manager.

All expense claims by the General Manager will be reviewed by the Flinders Council Audit Panel.

8. Breach of Principles

Any breach of these principles must be reported to the General Manager or the Corporate Services Manager by the card holder ~~or the Corporate Services Manager~~.

Where a private purchase does occur ~~then~~ the card holder must arrange for a full reimbursement of the ~~costs~~purchases accompanied by and must provide the General Manager or Corporate Services Manager with an explanation of the breach of the policy.

Where there is an inconsistency between this policy and the Corporate Credit Card Procedure, the provisions of this policy shall take precedence over the provisions of the Corporate Credit Card Procedure.

9. Related Legislation, Regulations and Policies

Local Government Act 1993
Code of Tenders and Contracts Policy
Disciplinary Policy
Risk Management Policy

10. Responsibilities

It is the responsibility of all staff and other cardholders to ensure this policy is adhered to.