

EXISTING POLICY

Policy number	Policy 312
Policy title	Transaction card
Strategic outcomes supported	CL1 – Effectively managing resources and performance CL3 - Accountability and good governance

Policy objective:

This policy provides a framework to guide the establishment and implementation of appropriate systems and procedures for incurring expenditure and making payments specific to transaction cards.

Policy scope:

This policy applies to all employees, contractors and entities that procure goods or services for, or on behalf of the Town of Victoria Park using a corporate credit card.

Policy definitions:

Cardholder means an employee who has been authorized by the Chief Executive Officer to incur expenditure by means of a transaction card

Transaction cards means corporate credit cards and store cards issued by the Town.

Policy statement:

1. The Town is committed to ensuring the procurement of goods and services are managed appropriately, sustainably and transparently for the benefit of the community.
2. The use of alternative procurement methods, such as corporate credit cards, store cards are supported where benefits through improved administrative practices and more efficient cash management can be demonstrated. This policy is expected to result in:
 - a. Efficient and effective procurement and payment operations
 - b. Minimise the risk of misuse, fraudulent or corrupt use
 - c. Management and oversight obligations; and
 - d. Cardholder duty of care and responsible use obligations are to be implemented and adhered to.

Allocation of a transaction card

3. Allocation of a corporate credit card or store card can only be approved by the Chief Executive Officer, or in the case the card is for the Chief Executive Officer, approval is provided by Council.

EXISTING POLICY

Management oversight and reporting

4. The Chief Executive Officer is to ensure proper accounts and records of transactions and affairs of the Local Government are kept in accordance with the *Local Government (Financial Management) Regulations 1996 (WA)* (Regulations).
5. The Chief Executive Officer shall determine and implement systems and procedures adequate to ensure:
 - a. Assessment and selection of transaction card facilities suitable to the efficient and effective operations of the Town;
 - b. Authorisation and appointment of suitably eligible cardholders;
 - c. Cardholder duties and responsibilities are documented and cardholders provided with training; and
 - d. Monitoring and auditing of transactional card activities is planned and reported.
6. The Chief Executive Officer will ensure that at a minimum transaction card statements are reconciled and acquitted monthly. Payments relating to all corporate credit cards be reported on a monthly basis to Council.

Misuse, Misconduct and Fraudulent Use

7. Any alleged misuse of Transaction Cards will be investigated, and may be subject to disciplinary procedures.
8. Where there is reasonable suspicion of misconduct or fraudulent activity arising from Transaction Card facilities the matter will be reported to the appropriate regulatory agency, subject to the requirements of the *Public Sector Management Act 1994* and the *Corruption, Crime and Misconduct Act 2003*.

Related documents

[Local Government Act 1995](#)

Practice 312.1 Store Card

Practice 312.2 Credit Card

Policy 301 Procurement

Responsible officers	Finance Manager Financial Controller
Policy manager	Chief Financial Officer
Approval authority	Council
Next evaluation date	April 2022

Revision history

Version	Action	Date	Authority	Resolution number	Report number
1	Adopted	19/03/2019	Council	53/2019	Item 14.1.4
2	Reviewed	20/08/2019	Council	148/2019	Item 10.1
3	Reviewed and amended	20/04/2021	Council	78/2021	Item 15.4

EXISTING POLICY

4	Administratively amended 24/08/2023 Delegation
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NEW POLICY

Policy number	Policy 312
Policy title	Transaction card
Strategic outcomes supported	CL1 – Effectively managing resources and performance CL3 – Accountability and good governance

Policy objective:

This policy provides a framework to guide the establishment and implementation of appropriate systems and procedures to incur expenses and make payments by transaction cards. It will ensure that the procurement of goods and services are managed appropriately, sustainably, and transparently.

Policy scope:

This policy applies to all employees that procure goods or services using transaction cards.

Policy definitions:

Cardholder means an employee who has been authorised by the Chief Executive Officer to incur expenditure by a transaction card.

Transaction card means a card facility to procure goods and services. Example of those are corporate credit cards and store cards.

Policy statement:

Allocation of a transaction card

1. Allocation of a transaction card can only be approved by the Chief Executive Officer, or in the case the card is for the Chief Executive Officer, approval is provided by Council.
2. The cardholder must sign the "Agreement – Use of Transaction Cards" to acknowledge their personal responsibilities and to comply the Policy.

Credit limit

3. The credit limit per transaction card is prescribed in table below based on the employee's position.

Position	Maximum Credit Limit
Chief Executive Officer	\$10,000
Chiefs	\$5,000
Executive Assistants (EAs) for Chiefs	\$10,000
Manager Technology and Digital Strategy	\$10,000
Managers	\$5,000
Service Area Leaders	\$4,000
Mid/Senior Level Staff	\$3,000
Other Staff	\$2,000

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4. In an emergency situation, the Chief Executive Officer can approve the temporary increase of credit limit.

Cardholder obligations

5. A single purchase transaction threshold is \$1,000 (excluding GST), except for the following items:
 - a. A purchase of professional membership, conference, training, workshop, accommodation, and travel expense. These items are only procured by the EAs.
 - b. A purchase of information technology subscription. This item may only be procured by the Manager Technology and Digital Strategy.
6. The transaction card shall not be used;
 - a. by an employee whose name is not on the transaction card;
 - b. to withdraw cash;
 - c. for personal expenses; or
 - d. with any type of reward system that provides cardholders with any personal benefit or reward.
7. When the transaction card is stolen, damaged, and/or has incurred suspected fraudulent transactions, the cardholder shall report immediately to the financial institution/the store and Financial Services Controller.

Transaction evidence

8. Transaction evidence must be obtained in the form of a tax invoice and/or receipt with information includes:
 - a. date of transaction
 - b. supplier name
 - c. supplier ABN
 - d. supplier address
 - e. amount of transaction
 - f. indication of GST.
9. Where it is not possible to obtain the transaction evidence, or such evidence has been lost, a Statutory Declaration must be prepared with information listed at Item 8 and a statement of the nature of transaction.

Transaction acquittal

10. The cardholder must acquit the transaction with the Town's financial system within 10 working days of the transaction.
11. The acquitted transaction must be approved by the cardholder's supervisor where it is allocated within the Town's financial system.
12. Where the transaction is incurred by a Chief other than Chief Executive Officer, the acquitted transaction must be approved by the Chief Executive Officer.
13. Where the transaction is incurred by the Chief Executive Officer, the acquitted transaction must be approved by the Chief Financial Officer.

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Return of transaction card

14. When the cardholder's employment is terminated, their transaction card must be returned to the Financial Services Controller.
15. When the cardholder wishes to cease to be a cardholder, their transaction card must be returned to the Financial Services Controller.
16. The cardholder has responsibility to finalise acquittal of all transactions incurred by their transaction card prior to returning the transaction card.

Management control

17. The Chief Financial Officer shall ensure that:
 - a. transactions by all transaction cards shall be reported monthly to Council as a part of Schedule of Accounts report.
 - b. maintenance of a register of all transaction cards.
 - c. annual review of the Town's credit usage.
 - d. assessment and selection of transaction card facilities suitable to the efficient and effective operations of the Town.
 - e. monitoring and auditing of transaction card activities is planned and reported annually.

Misuse, misconduct, and fraudulent use

18. Any alleged misuse of Transaction Cards will be investigated and may be subject to disciplinary procedures.
19. Where there is reasonable suspicion of misconduct or fraudulent activity arising from Transaction Card facilities, the matter will be reported to the appropriate regulatory agency, subject to the requirements of the *Public Sector Management Act 1994* and the *Corruption, Crime and Misconduct Act 2003*.

Related documents:

[Local Government Act 1995](#)

Policy 301 Procurement

Responsible officers	Manager Finance Manager Strategic Accounting Financial Services Controller Management Accountant Senior Accounting officer
Policy manager	Chief Financial Officer
Approval authority	Council
Next evaluation date	December 2024

NEW POLICY

Revision history

Version	Action	Date	Authority	Resolution number	Report number
1	Adopted				