

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, or authorised by Council for the Chief Executive Officer.

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	\$5,000
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

4. In an emergency situation, the Chief Executive Officer can approve the temporary increase of credit limit, no more than double than original maximum 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 workings 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.

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 and cardholders 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	February 2025

Revision history

Version	Action	Date	Authority	Resolution number	Report number
1	Adopted	20/02/2024	Council	7/2024	Item 11.3