

# Corporate Credit Cards Council Policy

## Responsible directorate: Corporate Services

**Objective:** The City is committed to ensuring that corporate credit cards are issued and used appropriately for City business, in a manner that complies with legislation and the City's policies and protocols.

### 1. Statement:

The City of Joondalup requires that all corporate credit cards issued by the City be used appropriately and in accordance with the City's policies and protocols, and all expenditure incurred be properly approved and acquitted.

### 2. Purpose and principles:

Corporate credit cards are issued by the City for the procurement of goods and services on behalf of the local government subject to the following:

- Corporate credit cards are issued only to permanent or fixed-term contract (full-time) employees of the City. Elected Members are not employees of the City and may not be issued credit cards.
- Corporate credit cards are issued to specific positions employed at the City to enable efficient and effective procurement of goods and services on behalf of the organisation. A corporate credit card is not an employment or other benefit given to any individual employee.
- The City may obtain corporate credit cards issued by the City's banking services provider. Council may authorise the City to engage a card issuer other than the City's bank to issue corporate cards if this is considered appropriate.
- Corporate credit cards will be issued and used in accordance with the City's Use of Corporate Credit Cards Protocol.
- Cash withdrawals are not permitted on corporate credit cards.

- Expenditure incurred on corporate credit cards must:
  - be necessary to carry out the City’s activities and functions;
  - be reasonable and appropriate;
  - not be excessive in relation to the goods or services sought;
  - not be personal expenditure.

### 3. Definitions:

“**corporate credit card/credit card**” means a credit card issued by the City’s bank to individual employees acting on behalf of the City to procure goods and services for the City’s activities.

“**cardholder**” refers to the individual City employee to whom a corporate card has been issued and whose name is displayed on the front of the credit card along with the City’s name.

“**personal expenditure**” refers to expenditure incurred by an employee that does not pertain to the City’s business, activities or operations.

### 4. Card issue, credit limits, and use:

#### 4.1. Card issuing and credit limits:

4.1.1 Corporate credit cards are issued only to the positions at the City as outlined in the City’s Use of Corporate Credit Cards Protocol, for the following purposes:

- CEO credit card — for use by the Chief Executive Officer for various expenses pertaining to City business, where normal procurement processes are not possible or practical.
- Purchasing credit card — to procure goods or services where a purchase order is not possible or practical.
- Corporate travel credit card — for the purpose of procuring corporate travel and accommodation, as well as any emergency non-travel expenditure.
- Civic hospitality/catering credit card — to incur expenses pertaining to catering at Council and Committee meetings and related Elected Member events.

4.1.2 Council authorises the issue of a credit card to the Chief Executive Officer (CEO) and sets the credit limit on this card.

4.1.3 The CEO authorises the issue of credit cards for other purposes and approves the credit limits on those individual credit cards as prescribed in the Use of Corporate Credit Cards Protocol subject to the overall corporate card credit limit not being increased as a consequence.

4.1.4 The combined credit limits of all issued corporate credit cards at any time may not exceed the total credit limit approved for the City by the card issuer(s), usually the City’s bank.

- 4.1.5 The CEO may authorise additional credit cards for any of the above purposes, other than the CEO card, subject to the overall corporate card credit limit not being increased.
- 4.1.6 Any increase in the City's overall corporate card credit limit that the City seeks must be approved by Council prior to an application being made to the City's card issuer(s).
- 4.1.7 Where the overall corporate card credit limit assigned to the City is increased by the card issuer without application or representation from the City, no prior approval of Council is necessary. Where an offer of an increased overall credit limit is made to the City, prior Council approval is required before the City accepts this increase in the limit.
- 4.1.8 Where the CEO approves an increase to an individual corporate credit card, or approves additional credit cards within the overall card credit limit, this is to be reported to Council in the month following the CEO's decision, with reasons for the same.

#### **4.2. Cardholder responsibilities:**

- 4.2.1 Corporate credit cards must be used in accordance with the City's Use of Corporate Credit Cards Protocol.
- 4.2.2 Cardholders must acquit expenditure incurred on their credit cards on a monthly basis in accordance with the Use of Corporate Credit Cards Protocol, inclusive of supporting documentation as set out in the Protocol.
- 4.2.3 Where a cardholder incurs personal expenditure on a credit card, the City will take appropriate measures to recover such expenditure in the shortest possible timeframe. Such incurrence is a breach of this policy and constitutes a violation of the City's Code of Conduct for Employees.
- 4.2.4 When a cardholder leaves the City's employment or moves to a different position at the City that is not authorised to be issued a corporate credit card, return (surrender) and cancellation of the card must be undertaken in accordance with the Use of Corporate Credit Cards Protocol.
- 4.2.5 A cardholder is bound by the provisions of this Policy and the Use of Corporate Credit Cards Protocol, as well as the City's Code of Conduct for Employees, in relation to the corporate credit card assigned to them.

#### **4.3. Lost or stolen cards:**

- 4.3.1 The cardholder is responsible for safe custody of the card issued to them as well as the security of associated credit card information.
- 4.3.2 Loss or theft of a credit card must be reported by a cardholder in accordance with the Use of Corporate Credit Cards Protocol.
- 4.3.3 Where a card or card information has been compromised or lost, cancellation and re-issue of a card must be undertaken as prescribed in the Use of Corporate Credit Cards Protocol, except where cancellation of a card facility is initiated by the card issuer.

4.3.4 The City will engage the card issuer in accordance with the Use of Corporate Credit Cards Protocol to cancel the card and arrange for a replacement credit card.

**5. Recordkeeping and reporting:**

**5.1. Recordkeeping:**

All written information and documentation pertaining to the use of corporate credit cards, including statements issued by the card issuer is to be retained and stored in accordance with the City's Recordkeeping Plan.

**5.2. Reporting:**

Copies of credit card statements received by the City, will be submitted to the next available Audit and Risk Committee meeting as confidential attachments.

**6. Use of Corporate Credit Cards Protocol:**

Detailed operating protocols and requirements for effective administration of the City's corporate credit cards are provided in the Use of Corporate Credit Cards Protocol. Changes to the Protocol are approved by the CEO. No changes may be made to the Protocol that have the effect of contravening the provisions of this Policy, except where authorised by Council in advance.

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<b>Creation date:</b>	December 2022 (CJ216-12/22)
<b>Formerly:</b>	
<b>Amendments:</b>	
<b>Last reviewed:</b>	
<b>Related documentation:</b>	<ul style="list-style-type: none"><li>• Use of Corporate Credit Cards Protocol</li><li>• Code of Conduct for Employees</li></ul>
<b>File reference:</b>	110639