



# Policy P4.1.5

## Corporate Credit Cards

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**Date of Issue** 14 December 2009

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**Version Number** 1.0

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### 1. Purpose

- 1.1 This policy updates and replaces policy 1.1.1 Corporate Credit Cards v3.0.
- 1.2 This policy is to ensure that the NSW Rural Fire Service (RFS) complies with guidelines issued by Treasury in relation to the provision, use and management of corporate credit cards.

### 2. Policy

- 2.1 Corporate credit cards are provided by the RFS for those staff who may be required to perform the following tasks;
  - (a) undertake official travel more than once a month in the course of their duties;
  - (b) travel overseas;
  - (c) recoup the Petty Cash float; or
  - (d) Procure goods and Services within the Purchasing Section or in emergency situations where approved by the CFO.
- 2.2 The policy is based on Treasury Guidelines TPP05-1, Credit Card Use Best Practice Guide.
- 2.3 A corporate credit card may be suspended or cancelled at any time. Where this occurs, the cardholder and their supervisor will be advised of the cancellation in writing.
- 2.4 Any fraudulent use of corporate credit cards identified by staff or management should immediately be brought to the attention of the Chief Financial Officer and/or the Corruption Prevention Officer (Manager Professional Standards) of the RFS for appropriate action and reporting.
- 2.5 The SOPs attached to this policy outline roles and responsibilities of the Commissioner, Management and cardholders and form part of the policy.

### **3. Links**

- Policy 1.1.6 Travel – General
- Policy 6.1.1 – Air Travel
- NSW Treasury - Credit Card Use Best Practice Guidelines
- *Public Sector Employment and Management Act 2002*
- Application for Corporate Card
- Statutory Declaration Form
- Cardholders Responsibility Document

### **4. Who is responsible for implementing the Service Standard/Policy?**

Director Executive Services

### **5. Amendments**

- Replaces Policy 1.1.1. v3.0
- Updated to new format

December 2009



# SOP P4.1.5 – 1

## Corporate Credit Cards Roles & Responsibilities - Management and Finance

<b>This SOP forms part of</b>	Policy P4.1.5 Corporate Credit Cards
<b>Related Form(s)</b>	None

### 1. Purpose

This SOP outlines the responsibilities of Managers and the overall management by Finance of corporate credit cards.

### 2. Procedures

#### Eligibility

- 2.1 Managers can only approve cards being issued to permanent and temporary officers (staff members) of the RFS employed under the *Public Sector Employment and Management Act 2002*.
- 2.2 Staff should be allocated a card where they meet any of these criteria:
  - (a) Travel more than once a month in the course of their duties;
  - (b) Travel overseas; or
  - (c) Are required to manage and recoup a Petty Cash Float.
- 2.3 Specialised Purchasing cards may be allocated to staff for the following purposes:
  - (a) Purchase of goods and services; or
  - (b) Logistics.

*NOTE:* Specialised Purchasing cards can only be approved by the Chief Financial Officer.

#### Commissioner's Responsibility

- 2.4 The Commissioner will be responsible for providing certification at the 30<sup>th</sup> June each year stating that credit cards used by staff members of the RFS have been used in accordance with Premier's and Treasurer's Guidelines.

## **Managers' Responsibilities**

### **2.5 Managers are responsible for:**

- (a) Recommending the issue of a credit card to a staff member of the RFS.
- (b) Ensuring that staff follow this policy in regard to the use of the card.
- (c) Reporting any breach of Policy or improper or fraudulent use of any corporate credit card immediately to the Chief Financial Officer and/or the Corruption Prevention Officer.
- (d) Ensuring all use and amounts of expenditure are approved prior to use.
- (e) Ensuring staff submit reconciliations on time. Reconciliations are required to be completed and submitted by cardholders within 20 calendar days of issue of statement. Managers must check, approve and return completed reconciliations to Finance or the Regional Business Manager within 5 calendar days of receipt.
- (f) Approving completed reconciliations and ensuring allocation of costs is correct.
- (g) Instigating action (when required) should there be evidence of misuse of cards or transactions contrary to policies and procedures.
- (h) Ensuring the card is returned and destroyed and all reconciliations completed prior to any staff member leaving the RFS.

## **Finance Section Responsibilities**

### **2.6 The Chief Financial Officer is responsible for:**

- (a) Meeting provisions of the *Public Authorities (Financial Arrangements) Act 1987* in regards to setting necessary limits within the Treasury Banking System (TBS).
- (b) Maintaining a register of all cardholders including the cardholders' name, card number, credit limit and expiry date.
- (c) Maintaining a register of temporary credit card limit increases.
- (d) Providing reports and/or information to the Commissioner or his delegate and for the annual report or auditors as required.
- (e) Completion of Treasury compliance surveys.
- (f) Reporting of any breach of Policy or improper or fraudulent use of any corporate credit card immediately to the Commissioner and Corruption Prevention Officer. Where it is deemed the breach may be of a criminal nature, relevant authorities shall be notified.

### **2.7 Issue of Cards**

- (a) Finance will co-ordinate the issue of all new and replacement corporate credit cards.
- (b) On receipt of an "Application for Corporate Credit Card", the Financial Services Officer shall check all approvals and complete any necessary paperwork required by the bank and shall submit the paperwork within five working days of receipt.
- (c) On receipt of the card, Finance will advise the cardholder where the card is to be collected from.

- (d) Finance shall ensure the cardholder is aware of this Policy and signs the “Cardholders Responsibilities” document prior to issue of any new or replacement card. The original of this shall be retained by Finance and a copy given to the cardholder.

## **2.8 Statements**

- (a) Finance will ensure statements are issued to cardholders within five days of receipt from the bank.
- (b) The Financial Services Officer will send an email to all Managers advising them of the issue date of the statement and the expected return date.
- (c) Managers will have five calendar days to check and submit reconciliations submitted to them by their staff members to Finance or the Regional Business Officer (RBO).
- (d) A report will be prepared at the end of each 30 day cycle by the Financial Services Officer (FSO) or RBO highlighting all staff who have not submitted a reconciliation. This report will be provided to the Manager, Accounting Services.
- (e) The FSO/RBO will follow up with a staff member and their Manager any outstanding reconciliation at the end of each cycle.
- (f) Where a staff member has not submitted reconciliation 30 days after the due date they will be sent an email advising they have 48 hours to submit their reconciliation. Where this does not occur the card will be suspended.
- (g) On receipt of reconciliations, Finance will check to ensure compliance against this Policy. Any non-compliance will be reported to the Chief Financial Officer immediately.
- (h) A journal will be prepared to ensure costs associated with the corporate credit card are costed to an expense code. This journal will be processed within two months of the original statement date.

## **2.9 Suspension and Cancellation of Corporate Credit Cards**

- (a) The FSO/RBO will ensure all cards of staff members who leave the RFS, including those seconded to another government Department, are cancelled immediately.
- (b) Cards will be suspended by Finance where reconciliation is outstanding for more than 30 days from the due date. The staff member involved and their supervisor will also be advised by email or in writing.
- (c) Cards may be suspended or cancelled on advice from a Manager to do so.

## **2.10 Reporting**

- (a) The FSO/RBO shall prepare a quarterly report to the Manager, Accounting Services outlining:
  - (i) New and cancelled cards for the period;
  - (ii) Expenditure for the period;

- (iii)** Instances where the card usage is contrary to policy (NOTE: All Policy breaches must be notified immediately to Manager, Accounting Services and included in the quarterly report);
- (iv)** Any action that has been taken regarding contrary usage or any other matter that may impact on the RFS.
- (b)** A report will be prepared at the end of each 30 day cycle highlighting all staff who have not submitted a reconciliation. This report will be provided to the Manager, Accounting Services.
- (c)** The Manager, Accounting Services will report consistent violations in regards to timeliness and accuracy of reconciliations to the Chief Financial Officer.



# SOP P4.1.5 – 2

## Corporate Credit Cards

### Roles & Responsibilities - Cardholders

<b>This SOP forms part of</b>	Policy P4.1.5 Corporate Credit Cards
<b>Related Forms</b>	<ul style="list-style-type: none"><li>▪ Application for Corporate Credit Card</li><li>▪ Corporate Credit Card – Cardholders Responsibilities</li><li>▪ Statutory Declaration</li><li>▪ Payment Voucher</li><li>▪ Travel Claim Form</li><li>▪ Travel Approval/Flight Request Form</li></ul>

## 1. Purpose

This SOP outlines the responsibilities of holders of RFS corporate credit cards.

## 2. Procedures

### Application for Corporate Credit Card

- 2.1 The requesting staff member must complete an “Application for Corporate Credit Card”.
- 2.2 This application must be recommended by the staff member’s Manager and approved by the Chief Financial Officer or delegated officer.
- 2.3 Applications for corporate cards may take up to 30 days to process.

### Use of Corporate Credit Card

- 2.4 The corporate credit card can only be used for official business purposes and in the manner listed:
  - (a) Payment of accommodation and meals whilst travelling on approved official business.
  - (b) Payment of approved claimable travel allowances or actual expenses.
  - (c) One day meal allowances for same day travel.
  - (d) Recouping of Petty Cash float by an officer approved to maintain such a float.

- (e) Emergency purchases where no alternative method of payment is available. For example, emergency repair to vehicle outside normal business hours where an E-req or order would not be acceptable to the supplier.
- (f) Provision of meals or accommodation for volunteer members on approved travel with a staff member of the RFS where no alternate arrangements can be made. i.e. purchase order. Only actual costs may be claimed and copies of receipts and names of volunteers are required to be submitted with the claim.
- (g) Purchase of accommodation/meals approved by the Major Incident Co-ordination (MIC) desk and other expenses relating to a Section 44 where the staff member is appointed as a Strike Team Leader and has obtained approval from Manager, Accounting Services for use of the card.
- (h) Specialised Purchasing cards may be used for purchase of goods and services as agreed to by the Chief Financial Officer and in accordance with Public Finance and Audit Act and the Treasurers Directions.
- (i) Where the card is to be used overseas, the Financial Services Officer must be notified at least 48 hours prior to travel to ensure the card is activated for use.

#### **Issue of Corporate Credit Card**

- 2.5 Once approved, the staff member will be advised by Finance where the card may be picked up from.
- 2.6 The staff member will be required to sign a “Cardholders Responsibility Form” to be retained by the Finance Section. A copy of this form will also be kept by the staff member.
- 2.7 A copy of this Policy must be read prior to the issue of the card and signing of the “Cardholders Responsibility Form”.
- 2.8 The staff member will be required to attend a branch of the bank to be allocated a PIN number and to activate the card.
- 2.9 The cardholder will be personally responsible for the safekeeping of the card and PIN. The PIN should not be disclosed to anyone and should not be carried with the card.

#### **Renewal of Cards**

- 2.10 Renewal of cards at expiry will be co-ordinated by Finance. The staff member will be advised of the issue of a new card.

#### **Credit Limits**

- 2.11 Monthly limits will be set at \$2500 for all cards.
- 2.12 Where a staff member requires a higher limit i.e. for travelling for extended periods or travelling overseas, a request in writing should be made to the Manager, Accounting Services. Credit limit increases may take up to 48 hours to be processed by the bank.



- 2.13** Where a credit limit is required to be increased for use during a Section 44 then contact should be made with the Financial Services Officer or the Manager, Accounting Services. After hours contact should be made to the Manager, Accounting Services or State Logistics Officer via the OCSC.
- 2.14** When travelling overseas, the Financial Services Officer should be advised at least 48 hours prior to departure to ensure the card can be used overseas.
- 2.15** ATM and over the counter withdrawal limits are set at \$1000 per day.  
  
Maximum transaction limits are set at \$1000 per transaction.
- 2.16** Cash withdrawals should be made at a Westpac bank branch or Westpac or St George ATM in order to minimise fees.
- 2.17** Credit limits must not be exceeded.
- 2.18** Staff must not withdraw more than the allowance or allocated amount for any travel. Staff who exceed the amount may have their card suspended.

#### **Cardholder Statements and the Reconciliation Process**

- 2.19** Cardholders will be issued a monthly statement from the Finance Section. These statements will be issued by Finance within 5 days of receipt from the bank.
- 2.20** Cardholders who have no activity on their card during the month are not issued with a statement.
- 2.21** Cardholders will need to reconcile the statement to receipts etc and return to their Manager within 20 calendar days. The Manager must check the reconciliation and forward to Finance or the Regional Business Manager within 5 calendar days.
- 2.22** All claims must be finalised within one month of travel. Any amounts owing to an officer must be withdrawn within the month after travel has been completed. Staff should ensure they do not overdraw amounts owing.
- 2.23** Any errors, omissions or disputed amounts should be advised to Finance immediately.
- 2.24** Each reconciliation **must** incorporate the following supporting documentation;
- (a)** A Travel claim voucher or Payment voucher outlining details of expenditure and allowances claimed, trip details and purpose and other details as required on the voucher including the appropriate account-location-program code for costing purposes;
  - (b)** A copy of approval to travel i.e. Travel Form or in the case of a Petty Cash float, approved Petty Cash docket;
  - (c)** Original receipts and invoices; and
  - (d)** Original credit card and ATM dockets.

- 2.25** In the case of lost receipts, the cardholder must complete a statutory declaration form. This form should include the following statement:

*I utilised my corporate credit card...(number on card) for the purposes of official business on...(date) for the purchase of...(describe purchase i.e. accommodation/fuel) at...(name of supplier), ABN...(ABN of supplier) for the amount of...(dollar and cents figure) including GST. I have lost the receipt/invoice for this purchase.*

- 2.26** Where a claim may cover more than one statement period, a copy of the previous month's statement and claim forms should be submitted with the new statement.
- 2.27** Where a staff member has overdrawn amounts from their card, the staff member must repay the amount owing when the reconciliation is lodged. This should be done by way of personal or bank cheque or money order drawn in favour of the NSW Rural Fire Service. Cash may be used when paid directly to the Financial Services Officer. This amount should be forwarded with the reconciliation and the cheque number noted on the reconciliation. Staff members who continually overdraw their card may have the card suspended.
- 2.28** Under no circumstances should a staff member deposit funds to the credit card account.
- 2.29** Where a staff member fails to submit a reconciliation within these guidelines or is unreasonably able to justify the expenses on a card then the card will be suspended and may be cancelled and where necessary, appropriate disciplinary action taken. This may include the recovery of any money owing.

### **Lost, Stolen or Damaged Cards**

- 2.30** Lost or stolen cards must be reported to the bank as soon as possible.

Westpac Banking Corporation contact numbers are:

- (a)** Within Australia – 1300 651 089
- (b)** Outside Australia - +61 2 9374 7082

- 2.31** Details of the cancellation including date and time reported and any reference provided by the bank, must be forwarded to the Financial Services Officer as soon as practical after the event. Finance will then arrange the issue of a new card.
- 2.32** Damaged cards may be replaced by contacting the Financial Services Officer and requesting issue of a replacement card. On receipt of the new card, the damaged card should be destroyed by shredding or cutting into fine strips.

### **Termination of Employment**

- 2.33** Cardholders leaving the RFS, including those seconded to another Department, must return the corporate credit card to their Manager prior to leaving. The card should be cut in numerous places so that the signature on the back cannot be copied.

- 2.34** The cardholder must ensure all reconciliations are complete and approved prior to leaving. Contact should be made with Finance or the Regional Business Manager in advance of leaving and a request made for any outstanding statements to be provided.
- 2.35** Staff members whose card remains unreconciled on departure may have outstanding amounts deducted from other sources or may have debt recovery action taken against them.

### **Suspension and Cancellation of Corporate Credit Cards**

- 2.36** A corporate card may be suspended or cancelled by a Manager at any time. Advice should be provided to the Financial Services Officer outlining the cardholder's name and the reason for suspension or cancellation. All requests must be made in writing.
- 2.37** Where a staff member is in breach of this Policy or for other disciplinary reasons, their card may be suspended or cancelled.
- 2.38** Where a card is to be suspended or cancelled, the staff member and their supervisor will be advised of the cancellation in writing.