

Council Policy – Corporate Purchasing Cards

Responsible Directorate	Corporate Services
Responsible Business Unit/s	Finance
Responsible Officer	Manager Finance
Affected Business Units	All

Objective

The Objective of this Policy is to establish an effective control environment for the issue, use and cancellation of the Shire of Serpentine Jarrahdale's Corporate Purchasing Card.

Scope

This Policy applies to the Shire of Serpentine Jarrahdale's Corporate Purchasing Cards, and all employees who use these cards.

Policy

The following sections are designed to control the use of the Corporate Purchasing Cards:

General

1. The Shire of Serpentine Jarrahdale (the Shire) will operate two (2) Corporate Purchasing Cards for the purposes of Shire business transactions.
2. The Shire's Corporate Purchasing Card is to be issued by the same financial institution that municipal transactions are made.
3. The Corporate Purchasing Cards are to be issued to a Cardholder. The Director Corporate Services is to be the Primary Card Holder and the Manager Finance will be the Second Card holder.
4. The second card is to only be used in the event that the Primary Card Holder is on leave or is unavailable to approve a purchase or in the event of an emergency such as a bushfire or other natural disaster.
5. An agreement must be signed by the Cardholder and the Chief Executive Officer setting out the Cardholder's responsibilities and legal obligations when using the Corporate Purchasing Card.
6. Where the Corporate Purchasing Card, issued by the financial institution, includes reward schemes, these will be accumulated in the name of the Shire. The Chief Executive Officer, at their discretion will decide how these rewards are utilised and could include offering these to charitable institutions, or sporting clubs. Under no circumstances is the reward scheme to be used for Officers or Elected Members private benefit.

Breaches of the Corporate Purchasing Card Policy

1. Any transactions that appear to be unauthorised, excessive, or unreasonable shall be reported to the Chief Executive Officer. Any breach shall be investigated and appropriate

action taken by the Chief Executive Officer, including but not limited to withdrawal of the card or in more serious circumstances, possible termination of employment.

Purchasing

1. The Corporate Purchasing Card shall only be used for purchasing goods and services on behalf of the Shire which are authorised in the current budget. Transactions must follow Council Policy – Purchasing – Procurement of Goods or Services up to \$250,000.
2. Personal expenditure is prohibited.
3. The Corporate Purchasing Card shall not be used for cash withdrawals.
4. The maximum credit limit is determined by the Chief Executive Officer.
5. All uses of Corporate Purchasing Card must be requisitioned and outline details of the purchase, the budget code and explanation as to why the Corporate Purchasing Card is being used in lieu of a Purchase Order. This must be authorised by the Cardholder prior to purchase.
6. An invoice or receipt of purchase is required in all circumstances and must contain details of the purchase and be submitted to the Cardholder.
7. For Fringe Benefits Tax purposes, any expenditure for entertainment must include the number of people who were in attendance and the full names of any Shire Officers.

Payments

1. A monthly account statement shall be sent to the Cardholder. The Cardholder is required to certify the statement and attach all requisitions, invoices/receipts for transactions. All invoices/receipts must include the suppliers ABN, amount and whether GST applies, and a brief description of goods and services purchased.
2. A detailed summary of all purchases is to be provided to the Chief Executive Officer with the statement and all receipts. The Chief Executive Officer is to authorise the completed statement for payment.

Financial Services Responsibilities

Financial Services shall:

1. Coordinate and register the issue, replacement, and cancellation of the Corporate Purchasing Card.
2. Process payments for the Corporate Purchasing Card. This includes ensuring all receipts and tax invoices are submitted and the Chief Executive Officer has authorised the credit card statement.
3. Provide the Cardholder with a copy of this Policy and ensure the cardholder signs the Corporate Purchasing Cardholder Agreement when issued with a Corporate Purchasing Card.

Cardholder Responsibilities and Obligations

The Cardholder must:

1. Keep their card in a safe place.
2. Ensure purchases are within the card limit, budget, and authority to do so.

3. Adhere to policies and procedures in relation to the Corporate Purchasing Card Policy and Council Policy – Procurement of Goods or Services up to \$250,000.
4. Ensure all requisitions, receipts and tax invoices are provided and submitted to Financial Services with the purchasing card statement.
5. Assign costing accounts for each item on the purchasing card statement.
6. In the event that the Cardholder ceases employment or takes an extended period of leave, the Cardholder must notify the Chief Executive Officer two (2) weeks before termination or leave date to arrange cancellation and settlement of receipts.
7. In the event that the Cardholder loses or misplaces the Corporate Purchasing Card it must be reported to the issuing financial institution by telephone. Written notification must also be forwarded to the Chief Executive Officer.

Reporting

Council shall receive a detailed list of transactions for the Corporate Purchasing Card as part of the monthly financial reporting requirements.

Definitions

Nil

Related Documents

- Council Policy – Procurement of Goods or Services up to \$250,000
- Corporate Purchasing Card User Agreement (E16/10449)
- Business Operating Procedure – Authorisation to Issue Purchase Requisitions

Legislation / Local Law Requirements

- *Local Government Act 1995*
- *Local Government (Financial Management) Regulations 1996*
- *Department of Local Government, Sport and Cultural Industries 'Use of Corporate Credit Cards' Local Government Operational Guidelines*

Amendment Record

Relevant Delegations		Nil	
		Date	Resolution Number
Council Adoption		27 April 2011 13 May 2013	CGAM051/04/11 OCM193/05/13
Version	Date	Resolution Number	Amendment Details
2	18 September 2015	OCM18/09/15	
3	29 May 2016	OCM093/05/16	
4	18 December 2017	OCM179/12/17	
5	17 March 2025	OCM068/03/25	New templates and amendments to include second cardholder.