



MAPOON ABORIGINAL SHIRE COUNCIL
Purchasing Card Usage Policy

RESOLUTION NO. XX. VERSION V3

This is an official copy of the **Purchasing Card Usage Policy** of **Mapoon Aboriginal Shire Council**, made in accordance with the provisions of the Local Government Act and Regulations, Public Records Act, Mapoon Aboriginal Shire Council's Local Laws, Subordinate Local Laws and current Council Policies.

The Purchasing Card Usage Policy is an Operational Policy.

Operational policies are prepared to guide employee behaviour. This Policy is approved by the Mapoon Aboriginal Shire Council for the operations and guidance of Council and Council staff.

DOCUMENT VERSION CONTROL

VERSION	DATE	RESOLUTION N°.	DETAILS
1.0	16/2/12		Responsible Officer: Executive Manager Finance Policy Type: Operational Policy
2.0	13/7/158		
3.0			
		EXPIRY	30 June 2021



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1. Introduction/Policy Statement:

The objective of this policy is to establish the administrative framework required for the operation of an effective Purchasing Card System and to ensure that purchases are made in the most efficient manner possible.

2. Policy scope:

This policy applies to all employees and Councillors (including the Mayor) who are issued with a purchasing card.

3. Definitions:

Cardholder

The officer to whom a Council Purchasing Card is issued. The card is embossed with the officer's name and bears the officer's signature on the reverse of the card for security and identification purposes.

Purchasing Card

A debit or credit card held under a council credit facility.

Private Expenditure

Refers to any expense that is not related to the Council's business operations. The purchase of gifts, food and other items in relation to non-business activities such as birthday celebrations is private expenditure.

4. Policy statement:

Issue of card

A purchasing card is only issued to those employees and councillors whose duties provide scope for using it effectively. Purchasing cards are not a status symbol. **The purchasing card must be kept at the council chambers in the council safe and only removed from said safe when performing council business.**

Before any employee or councillor can become a cardholder, it is necessary for them to provide adequate proof of identity to satisfy the bank's requirements of at least 100 points.

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All cardholders must have delegated financial authority to commit Council to expenditure. All cardholders must also sign a copy of this policy prior to being issued with a card.

Use of card

The purchasing card is for official Council business only and is not to be used to obtain personal items under any circumstances.

Breaches may constitute disciplinary action in accordance with Council's policies, the immediate withdrawal of the facility and possible action under the Criminal Code.

Cardholders must not allow their card to be used by other persons, even in absences, unless specifically authorised to do so by the CEO. This is to ensure that the cardholder has full responsibility for the use of the card.

The transaction limit for users is \$1,000 per transaction. A resolution by Council must approve any adjustment to the monthly credit limit.

For FBT purposes, expenses relating to the provision of entertainment must provide details of the total number of staff who attended and the total number of attendees. The Chief Executive Officer must approve any expenditure relating to the provision of entertainment prior to the expense being incurred.

Accountability

Liability for charges incurred on the Purchasing Card rest with the Mapoon Aboriginal Shire Council and not the individual cardholder. The use of the purchasing card does not affect the personal credit rating of the individual as it can only be used for official Council business. Where the cardholder incurs charges, the Council is obligated to pay the bank whether or not the cardholder may have exceeded any internal restrictions on the use or misuse of the card.

Proposed cardholders must accept responsibility for the correct use and security of the Purchasing Card and are not to be given approval to use the system until a resolution is passed by Council.

An official tax invoice must accompany all purchasing card purchases. This enables Council to claim input tax credits.

Reconciliation

On receipt of a monthly statement, it is the cardholder's responsibility to ensure that the goods have been received in good order and condition, that the total of the statement equals the total of invoices, and the receipt of all goods that appear on the statement are acknowledged. The monthly statement must be reconciled within 7 days of receipt of the statement.

Cancellation of cards

Cancellation of a purchasing card may be necessary where the;

- Cardholder changes job function within Council;
- Cardholder employment within Council is terminated or suspended;



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- Card is no longer required;
- Cardholder has not adhered to set procedures; or
- Misuse of the purchasing card.

Upon a Cardholder's termination, the purchasing card must be returned no later than the last day of employment to the CEO. The Executive Manager Finance will authorise the cancellation of the purchasing card with the credit facility provider.

Loss of Card

If a purchasing card is lost or stolen the following procedures must be initiated:

- person responsible for the card should immediately call the Executive Manager Finance to report the loss of the card;
- in the event that contact cannot be made with the Executive Manager Finance or CEO, notify the bank to cancel the card.

If the cardholder notifies the bank directly, the Executive Manager Finance must be advised as soon as possible.

In the case of a lost card, the cardholder will be required to complete a Statutory Declaration Form, describing the loss.

Resignation of Card Holder

Disputed Transactions

Council is responsible for paying all accounts on the monthly card statement and the bank will process a direct debit from Council's operating account at the beginning of each month.

When a cardholder believes that charges are incorrect, they should first contact the supplier to determine the causes of the discrepancy and if necessary, the Executive Manager Finance will notify the bank in writing.

Any amounts in dispute must be highlighted on the copy of the cardholder's statement and a copy of the written notification to the bank attached.



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10. Workplace Participant Acknowledgement

I acknowledge:

- (a) Receiving this MASC Policy;
- (b) That I should comply with this policy; and
- (c) That there may be disciplinary consequences if I fail to comply, including termination of employment.

Your name:

Signed:

Date:

DRAFT