

Credit card policy

Policy No. 3030.100.E.R

1 Purpose

The purpose of this policy is to ensure effective controls and procedures are in place with respect to the use of corporate credit cards by City of Darwin's Elected members, Chief Executive Officer (CEO) and staff.

2 Scope

This policy applies to the issue, custody and use of City of Darwin-issued corporate credit cards.

Purchases made on personal credit cards on behalf of City of Darwin are not covered by this policy.

3 Policy statement

City of Darwin is committed to the responsible provision, safe custody and proper use of credit cards by Elected Members, CEO and staff.

City of Darwin will maintain registers of all corporate credit cards issued to elected members, the CEO and staff, in accordance with the *Local Government Act 2019* (NT) (the Act) and *Local Government (General) Regulations 2021* (NT) (the Regulations).

3.1 Issue of corporate credit cards

City of Darwin will issue corporate credit cards to select Elected Members, the CEO and staff, in accordance with the Corporate Credit Cards Procedure. All corporate credit cards will be issued through City of Darwin's banking provider.

Elected Member corporate credit cards

The CEO will authorise the issue of a corporate credit card to select Elected Members to make necessary purchases on behalf of City of Darwin. The CEO will approve a single transaction limit of \$5,000 and monthly limit of \$5,000.

CEO corporate credit card

Council will authorise the issue of a credit card to the CEO to make necessary purchases on behalf of City of Darwin with a single transaction limit of \$10,000 and monthly limit of \$10,000.

Council may further limit the purposes for which the credit card may be used.

Staff corporate credit cards

The CEO will authorise the issue of corporate credit cards to staff members to make necessary purchases on behalf of City of Darwin. Monthly limits will be set by the CEO, with consideration given to the following:

- proven business need
- the total available credit facility, in line with the cumulative borrowing amount for minor transactions set out in Northern Territory Government’s Local Government Guideline No. 3 – Borrowing
- Transaction limits cannot exceed approved financial delegations.

3.2 Use of corporate credit card - general conditions

Corporate credit cards must only be used in situations where it is not possible or cost effective to use City of Darwin’s finance system or stores requisition for ordering and payment for goods and services.

Use of corporate credit cards must comply with legislative requirements, City of Darwin’s Procurement Policy, delegations and procedures.

It is the responsibility of the cardholder to ensure that limits are not exceeded.

No City of Darwin corporate credit cards will have cash advance facilities.

Personal expenses must not be charged to a corporate credit card under any circumstances and individuals must not gain any personal benefit from use of a corporate credit card, such as cash-back deals, discounts or accumulating reward points.

Cardholders are responsible for the safe custody and security of corporate credit cards and may be liable for costs incurred as a result of losing the card.

Cardholders must not allow others to use their corporate credit card and must not disclose the personal identification number (PIN) to any person.

3.3 Required supporting documentation

A compliant tax invoice must be obtained by each cardholder for every transaction made using a corporate credit card, in line with the Corporate Credit Card Procedure. If supporting documentation is lost or destroyed, a statutory declaration must be completed by the cardholder.

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2	ORD069/24	27 February 2024	27 February 2028

Responsible Officer: Chief Executive Officer

Electronic version current. Uncontrolled copy valid only at time of printing.

Corporate credit card reconciliations must not be approved without supporting documentation.

If a cardholder repeatedly fails to keep required tax invoices, their corporate credit card may be cancelled.

3.4 Credit card reconciliations

Transactions on all corporate credit cards are to be reconciled, approved and submitted monthly to the Finance Team, in line with the Corporate Credit Card Procedure.

The CEO's credit card will be reconciled monthly and reported to Council in the approved form, in accordance with the Regulations. The Lord Mayor will approve the CEO's credit card reconciliation.

Elected Members' corporate credit card will be reconciled monthly and reported to Council in the approved form, in accordance with the Regulations. Elected Members' credit card reconciliations will be approved by the CEO.

Repeated failure to submit reconciliations by the due date may result in a corporate credit card being cancelled.

Any discrepancies in the credit card reconciliation must be reported immediately to the authoriser of the cardholder's monthly reconciliation and the Executive Manager Finance.

All reconciliation documents must be retained in accordance with the Regulations.

3.5 Misuse of corporate credit card

Misuse of a corporate credit card is a serious matter and may constitute a breach of this policy, Code of Conduct and criminal legislation. Suspected deliberate or inadvertent misuse of a corporate credit card must be reported and investigated in accordance with the Corporate Credit Card Procedure. Cardholders who are found to have misused corporate credit cards may be subject to disciplinary action and/or criminal proceedings.

3.6 Credit card cancellation and replacement

If a credit card is lost or stolen, the cardholder must immediately contact the issuing institution to report the loss and cancel the card, then notify the authoriser of the cardholder's monthly reconciliation and the Executive Manager Finance. The corresponding Credit Card Register must then be updated.

3.7 Return of credit card

The cardholder is to return their corporate credit card to City of Darwin as soon as the card is no longer required.

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If leaving the organisation, the cardholder must notify the Executive Manager Finance and ensure that an interim reconciliation is completed prior to exiting the organisation. The cardholder must then return the card to the Executive Manager Finance for immediate cancellation and destruction.

The corresponding Credit Card Register must then be updated.

4 Definitions

Nil

5 Legislative references

Local Government Act 2019 (NT)

Local Government (General) Regulations 2021 (NT)

6 Procedures / related documents

Corporate Credit Card Procedure

0021.100.E.R Accountable forms policy

3401.100.E.R Procurement policy

Northern Territory Government Local Government Guideline No. 3 – Borrowing

7 Responsibility / application

Elected members and the CEO are accountable for the overall establishment and periodic review of this policy.

Elected Members, CEO and staff are responsible for complying with this policy.

This Policy is subject to review every four years, or as required.