



Policy

CREDIT CARD

Responsible Officer: Finance Manager

Date: 19 March 2024

Review Date: 19 March 2027



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1. Purpose

The purpose of this policy is to provide direction on how Council corporate credit cards and similar purchasing devices are to be allocated, used and administered to ensure that they assist in efficient delivery of services while minimising the potential for misuse and fraud.

2. Background

Credit cards are recognised as an appropriate and suitable method of paying for goods and services in some circumstances. For some transactions they are the only feasible method of paying for goods and services. However, any transaction method holds the potential for misuse and the convenience and flexibility of credit cards can be a vulnerability. Therefore, sound policies and protocols for use and control must be established to take advantage of the convenience from their use while minimising the opportunity and impact of misuse of funds.

3. Scope

The policy is intended to apply to credit cards, as well as any other similar type of corporate or organisational purchasing card. In this policy, the term “credit card” is used to refer to any purchasing card, including credit, debit, EFTPOS, “virtual” and similar bank cards issued by Council and used for purchasing on behalf of Council.

This policy applies to all employees of King Island Council and other person at the workplace, and all current and future activities of Council.

4. Policy

Policy Statement

- The maximum number of cards that Council will allow to be active at any one time is five.
- The maximum total credit limit of all cards is to be no more than \$50,000.
- Monthly credit limits for an individual will be set to the lowest reasonable amount required by the Cardholder to execute their role. It shall not exceed \$10,000 for any one Cardholder
- Authorisation for the issue of credit cards, their credit limit and any changes in individual credit limits will be provided by the General Manager or their delegate.
- A credit card will only be issued to an employee where the ongoing operational benefits justify it. Short term inconvenience is not a reason to issue a card.
- A credit card will not be allocated to the Mayor or any Councillor.



KING ISLAND COUNCIL

- An Authoriser cannot authorise the issue of their own credit card.
- A credit card is a mechanism for purchasing and paying for goods and services. It does not of itself provide any authorisation for the expenditure of council funds. All goods and services acquired should be for valid council purposes and in accordance with any other policy that controls the expenditure of council funds.
- All transactions on a credit card are to be reviewed and approved as being consistent with this policy by a more senior employee of council.
- **General Manager**
 - The issue of a credit card to the General Manager and/or any associated credit limit/changes will be approved by the Mayor.
 - The review and approval of transactions recorded on a credit card issued to the General Manager will be performed by the Mayor.
- A Cardholder is responsible for the safe custody and security of the credit card and is liable for any misuse including transactions that are contrary to this policy and associated costs. A Cardholder is responsible for ensuring that use of the card is ethical and strictly in accordance with this policy.

AMENDMENT

Council retains the sole discretion to vary, terminate or replace this Policy from time to time. Council will consult before amendments are made and will notify and train those the amendments apply to.

5. Legislation, Terminology and References

Applicable legislation:

- Local Government Act (1993)

Definitions	
<u>Term</u>	<u>Meaning</u>
Council	King Island Council
Councillor	An elected member of Council known as a Councillor or Alderman or otherwise meeting the definition of a 'councillor' as defined under section 3 of the <i>Local Government Act 1993</i> (TAS)
Employee	A person who carries out work for Council as an employee of Council.



KING ISLAND COUNCIL

General Manager	The general manager of Council as appointed under section 61 of the <i>Local Government Act 1993</i> (TAS).
Manager/Supervisor	A person at the Workplace who is appointed to a position that has management/supervisory responsibilities for others or their appropriately nominated or authorised delegate.
Other Persons at the Workplace	A person, other than a Councillor, who carries out work in any capacity for Council, including work as: (a) a contractor or subcontractor. (b) an employee of a contractor or subcontractor. (c) an employee of a labour hire company who has been assigned to work at Council. (d) an apprentice or trainee. (e) a student gaining work experience; or (f) a volunteer.
Policy	Credit Card Policy
Workplace	A place where work is carried out for Council.

References:

History:

Credit Card Policy 16 October 2018 Policy Adopted – Res No: 190/18

POLICY VERSION AND REVISION INFORMATION

Title: Credit Card

Policy Maintained by: Manager Finance

Policy Commencement: 16 October 2018

Policy Review: 19 March 2027

Version No	Date	Resolution No	Responsible Officer
1.0	19.3.2024	70/24	Finance Manager



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