



# Tiwi Islands Regional Council

**Title:** Corporate Credit Card Policy  
**Policy No:** 014  
**Adopted By:** Council  
**Next Review Date:** September 2017  
**Responsibility:** Chief Executive Officer  
**InfoXpert Document Number** 158029

| Version | Decision Number          | Adoption Date     | History              |
|---------|--------------------------|-------------------|----------------------|
| 1       | Resolution 5 of 18-09-14 | 18 September 2014 | Version 1            |
| 2       | Resolution 1 of 16-03-15 | 16 March 2015     | Version 2 - approved |

## PURPOSE:

This policy defines the guidelines for use of Tiwi Islands Regional Council (TIRC) issued credit cards and the responsibilities of the cardholders.

## OBJECTIVES:

The objectives of this policy are to ensure that the Council has adequate records and is able to:

- claim GST on credit card purchases;
- correctly allocate expenditure to grants, projects, assets etc;
- support the expenditure in an audit;
- properly record FBT liability; and
- prevent misuse and possible fraud.

## POLICY:

Credit cards will not be issued to any person other than an officer of the TIRC and the Mayor of TIRC.

Credit cards will only be issued with the approval of the Chief Executive Officer (CEO). The CEO will determine the credit limit for each card, keeping the total credit for all issued cards within the limit set by the Councils' financial institution.

Upon approval by the CEO an authorised officer of the Council will prepare and lodge the credit card application with the Councils' financial institution.

Council issued credit cards may only be used for Council purposes, the purchases must relate to business related transactions only. A tax invoice must be obtained for all transactions.

Council issued credit cards shall not be used to obtain cash advances or for personal purchases.



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Credit cards may be used when the Council has established a trading account with a supplier, if there is an urgent need for an item; otherwise the preferred transaction method is via a purchase order.

Credit cards may be used to purchase meals while on approved travel provided travel allowance for meals has not been claimed and/or paid.

Credit cards should not be used by any person other than the cardholder.

## RESPONSIBILITIES:

### Tax Invoice

Holders of Council issued cards must ensure that a Tax Invoice is provided for every purchase. A Tax Invoice will include details of the goods or services provided, have a total amount paid and will include the GST amount. An EFTPOS receipt is not a Tax Invoice and will not be accepted on its own as proof of purchase.

Emailed requests for goods and services, particularly conference registrations, must all have a Tax Invoice. All suppliers will provide a Tax Invoice on request.

Should, in extenuating circumstances, receipts and Tax Invoices be misplaced the Card Holder must provide a signed and witnessed Statutory Declaration providing an explanation of the purpose and nature of the expenditure as well as the transaction amount and transaction vendor.

### Travel Expenses

All travel should be arranged with the Travel Officer who will arrange the necessary documentation and purchase orders. Credit cards should only be used as a final resort when booking travel and/or accommodation.

Credit cards should not be used to purchase meals when a Travel Allowance for meals has been claimed. All purchase of meals for travel and/or entertainment must include sufficient details including names of people dining (staff and non-staff) and a brief description of the occasion *e.g. meeting with Dept. Prime Minister and Cabinet to discuss funding*. There are Fringe Benefits Tax implications when food and drink are provided to Council staff so accurate record keeping is essential to minimise the Council's FBT liability.

Note also that for any meal allowances paid via Credit Card they must not exceed the rates approved via Council staff movement requisitions.

### Other

Each card holder is responsible for **all** the transactions on their credit card. Card information should not be given to any other person in order for that person to incur expenses unless there is no other means to pay for items *e.g. conference registration, on-line orders*, the card holder must agree to the card use for each transaction and a tax invoice must be provided to the card holder.



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## RECONCILIATION:

At the start of each month a nominated finance officer will receive the Credit Card statement for the previous month. The statement will be emailed to each card holder with the Credit Card Journal.

Each card holder should confirm that all charges on the statement are correct and ensure that a Tax Invoice has been obtained for each charge.

The Credit Card journal should be completed with as much information as possible in the blue section. All Action SDC and Natural Account numbers are selected using the pick lists in the yellow section of the spreadsheet. When all purchases have been entered the spreadsheet should be emailed to the nominated finance officer, together with tax invoices and receipts within the required timeframe for inclusion in the monthly financial reports.

The finance officer will hold all reconciliations for review and approval by the Chief Executive Officer (the Mayor will approve the CEO reconciliation).

## Cardholder Declaration:

I have read and agree to adhere to the Credit Card policy.

..... Signature

..... Name

Date / /

**END OF POLICY.**