

Name:	Credit Card		
Type:	Council Policy		
Owner:	Chief Executive Officer		
Responsible Officer:	Director Corporate Services		
Approval Date:	11/12/2018	Next Review Date:	1/10/2022
Records Number:	365981	Council Decision:	9/0409

### 1 PURPOSE

This policy is designed to control the use of corporate credit cards issued under the name of City of Palmerston. This policy ensures sound governance of expenditure incurred on behalf of City of Palmerston.

### 2 PRINCIPLES

City of Palmerston is committed to sound financial management, public accountability and transparency.

### 3 DEFINITIONS

*For the purposes of this Policy, the following definitions apply:*

Term	Definition
Credit Cards	Corporate credit cards and store credit cards issued in the name of City of Palmerston.
Cardholder	City of Palmerston employee that is holder of a corporate credit card or store credit card.

### 4 POLICY STATEMENT

#### 4.1 Issuing of Credit Cards

- 4.1.1 Credit Cards are only to be issued to officers that hold the positions with delegation outlined in the Register of Delegations and Sub-Delegations.
- 4.1.2 Council officers issued with credit cards are in a position of trust with regard to the use of public funds. Improper use of that trust may render the cardholder liable to disciplinary action, legal action or criminal prosecution. All cardholders are to acknowledge receipt of the Credit Card Policy in a signed agreement.

#### 4.2 Credit Limit

- 4.2.1 The Chief Executive Officer has the delegated authority to set monthly maximum credit card limits.
- 4.2.2 In the case of an emergency situation, in line with the Council's Disaster Recovery Plan, credit limits may be raised for a short period of time above the maximum limit set in the Register of Delegations and Sub-Delegations.

#### 4.3 Cancellation of Credit Cards

- 4.3.1 Each issued credit card remains the sole property of City of Palmerston. The Chief Executive Officer may revoke the use of any credit card at any given time.

- 4.3.2 Cancellation of a credit card is necessary where the:
- Cardholder changes job function that has not got appropriate delegation
  - Employment with cardholder ceases
  - Cardholder has not adhered to set procedures and policies
  - Misuse of credit card
  - Cardholder breaching any terms of this policy

#### 4.4 Use of Credit Cards

- 4.4.1 Credit cards must only be used for the carrying out of Council authorised business and for the meeting of Council liabilities where it is deemed to be impractical to adhere to the electronic purchase order system.
- 4.4.2 No private expenditure shall be incurred, even if private funds are transferred or repaid immediately, to offset the expenditure. This includes the payment of parking fines or speeding offences even if incurred whilst on Council business.
- 4.4.3 All purchases on the credit card require appropriate authorisation in line with the Register of Delegations and Sub-Delegations.
- 4.4.4 Where inappropriate expenditure occurs, the value of the expenditure shall be recovered from the cardholder.

#### 4.5 Cardholder Responsibilities

- 4.5.1 The cardholder must ensure that the credit card is maintained in a secure manner and guarded against improper use.
- 4.5.2 All documentation regarding a credit card transaction is to be retained by the cardholder.
- 4.5.3 Reconciliation is to be completed within seven days of the date of the credit card statement being issued to the cardholder.
- 4.5.4 The cardholder must follow responsibilities outlined by the card provider.
- 4.5.5 Credit cards are to be returned on or before the employee's termination date.

## 5 ASSOCIATED DOCUMENTS

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- 5.1 Register of Delegations and Sub-Delegations
- 5.2 Credit Card Holder Agreement

## 6 REFERENCES AND RELATED LEGISLATION

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- 6.1 *Local Government Act*
- 6.2 *Local Government (Administration) Regulations*