

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Resources, Energy and Tourism Portfolio

Budget Estimates

28 May 2012

Question: BR60
Topic: Credit Cards
Proof Hansard Page: Written

Senator Bushby asked:

1. Provide a breakdown for each employment classification that has a corporate credit card.
2. Please update if there have been any changes since Additional Estimates 2011-12 (February 2012):
 - a. What action is taken if the corporate credit card is misused?
 - b. How is corporate credit card use monitored?
 - c. What happens if misuse of a corporate credit card is discovered?
 - d. Have any instances of corporate credit card misuse have been discovered? List staff classification and what the misuse was, and the action taken.
 - e. What action is taken to prevent corporate credit card misuse?

Answer:

1. Breakdown of each employment classification with a corporate credit card:

Department		Tourism Australia		Geoscience Australia	
APS 2	1	Band 1	3	APS 4	4
APS 3	1	Band 2	27	APS 5	18
APS 4	16	Band 3	49	APS 6	19
APS 5	39	Band 4	36	EL1	24
APS 6	62	Band 5	16	EL2	5
EL1	152	Band 6	9		
EL2	108	Band 7	5		
SES1	21	TA Board	7		
SES2	8				
SES3	1				
SEC	1				
Total:	410	Total:	152	Total:	70

2. *Department*

- a) A staff member misusing a corporate credit card may be subject to action under the APS Code of Conduct and may be subject to prosecution. Cardholders are responsible for reporting any inappropriate expenditure on their corporate credit card, including expenditure of a private nature, to the:

- Chief Internal Auditor;
- Chief Financial Officer;
- Agency Security Adviser; and
- Cardholders Manager.

Any such report must be made in writing and immediately following the identification of the inappropriate expenditure. Cardholders must also report the incident to the appropriate Business Manager in each Division, who will arrange for repayment of the inappropriate expenditure.

- b) Each Division's Executive Assistants and Finance Officers are responsible for performing monthly reconciliations for their cardholders. After completing the reconciliation they are required to enter the transactions into the Financial Management Information System. The Department's Credit Card Coordinator performs an extra quality assurance check before approving and posting the transactions and reports any inappropriate or misuse of the credit card to the relevant line area and advises on what they are required to do to correct any issues.
- c) Cardholders are responsible for reporting any inappropriate expenditure utilising their corporate credit card (refer to the answer to question 2a).
- d) Instances of corporate credit card misuse for the 2011-12 financial year are at **Attachment A**.
- e) Officials are required to read the Department's Chief Executive Instruction (CEI) on using a Commonwealth Credit Card and the associated Credit Card Manual. They are required to sign an agreement form stating that they have read the documents and understood the requirements. In the instance that the policies do not provide guidance on a particular topic, staff are advised to follow the Government's fundamental policy of efficient, effective, economical and ethical use of Commonwealth resources and not inconsistent with the policies of the Commonwealth (Section 44 of the *Financial Management and Accountability Act 1997*). Training is also provided to new staff starting with the Department, to new card holders and as required for current card holders.

Tourism Australia

- a) In the event of credit card misuse, funds are to be recovered and the breach is reported to the Tourism Australia (TA) Board and audit committee.
- b) Corporate credit cards are monitored through audit analytics and regular detailed review and monthly credit reconciliation processes.
- c) As above, in the event of corporate credit card misuse, funds are to be recovered and the breach reported to the TA Board and the audit committee.
- d) There have been no instances discovered of corporate credit card misuse in TA.
- e) TA has a detailed credit card use policy stipulating proper usage of credit cards. In addition, TA conducts quarterly internal audit reviews and monthly credit card reconciliations.

Geoscience Australia

There have been no changes regarding the misuse of Geoscience Australia's corporate credit cards since February 2012.

ATTACHMENT A

Instances of Corporate Credit Card Misuse for 2011-12 Financial Year

Classification	Description	Action Taken	Amount
EL1	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$69.77
EL2	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$7.50
EL2	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$31.40
EL1	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$100.00
EL1	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$21.50
EL1	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$9.50
SES2	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$14.90
EL1	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$7.50
EL1	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$13.80
EL2	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$5.50
EL2	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$63.85
EL1	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$28.00
EL2	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$7.87
EL1	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$4.00
SES2	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$82.60
APS4	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$139.26
APS4	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$22.00
SES1	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$145.00
SES2	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$11.70

APS6	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$19.60
EL2	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$35.63
APS6	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$6.00
EL1	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$19.00
EL2	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$122.56
APS6	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$50.00
APS5	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$10.00
APS6	Commonwealth credit card mistakenly used for private use	The appropriate officials were notified. The CFO issued the cardholder with an official warning and a tax invoice. The money was recovered.	\$8.00