

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Budget Estimates May 2017

Communications Portfolio

Australian Broadcasting Corporation

Question No: 33 (b)

Australian Broadcasting Corporation

Hansard Ref: Written, 2/6/2017

Topic: Credit Card

Senator Bilyk, Catryna asked:

How many credit cards are currently on issue for staff in the Department and agencies within the portfolio? If possible, please provide a break-down of this information by APS/ SES level.

- (a) What was the value of the largest reported purchase on a credit card in calendar year 2016 and what was it for?
- (b) How much interest was paid on amounts outstanding from credit cards in calendar year 2016?
- (c) How much was paid in late fees on amounts outstanding from credit cards in calendar year 2016?
- (d) What was the largest amount outstanding on a single card at the end of a payment period in calendar year 2016 and what was the card holder's APS/ SES level?
- (e) How many credit cards were reported as lost or stolen in calendar year 2016 and what was the cost of their replacement?
- (f) How many credit card purchases were deemed to be illegitimate or contrary to agency policy in calendar year 2016? What was the total value of those purchases? How many purchases were asked to be repaid on that basis in calendar year 2016 and what was the total value thereof? Were all those amounts actually repaid? If no, how many were not repaid, and what was the total value thereof?
- (g) What was the largest purchase that was deemed illegitimate or contrary to agency policy and asked to be repaid in calendar year 2016, and what was the cardholder's APS/ SES level? What that amount actually repaid, in full? If no, what amount was left unpaid?
- (h) Are any credit cards currently on issue in the Department or agencies within the portfolio connected to rewards schemes? Do staff receive any personal benefit as a result of those reward schemes?
- (i) Can a copy of the Department's staff credit card policy please be provided?

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Answer:

There are currently 559 cards on issue, held by staff at the following levels:

Description	Number
Staff Band 3	8
Staff Band 4	55
Staff Band 5	65
Staff Band 6	102
Staff Band 7	116
Staff Band 8	59
Staff Band 9	35
SE Band 1	29
SE Band 2	46
SE Band 3	25
SE Band 4 and above	19
Total	559

- (a) \$18,701 for international flights to gather News content.
- (b) Nil interest was paid.
- (c) \$1,275 was paid in late fees.
- (d) \$17,825 related to a staff member at Band 7.
- (e) 12 cards were reported lost. The ABC did not incur any costs to replace them.
- (f) Internal review processes identified 51 transactions (total cost of \$2,282.83) that were contrary to policy. All amounts were repaid in full.
- (g) \$196, which has been repaid in full. The staff member was Band 9.
- (h) Cards are not connected to any rewards scheme.
- (i) Attached.

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Credit and Charge Card Policy

Status: Approved

Document number: D11/17415

Policy issued: 15 May 2013

Policy owner:

Head Financial Services and Systems

Finance and Operations

85 4074

Policy Statement

The ABC does not tolerate the unauthorised use of Credit and Charge Cards.

Purpose of this Policy

To provide the principles that enable ABC transactions to be carried out as efficiently as possible through the use of Credit and Charge Cards in an accountable and transparent manner.

Who it applies to

All ABC employees who are authorised to use ABC Credit and Charge Cards.

Consequences of breach

Breaches of this Policy may result in withdrawal, suspension or cancellation of the Card and/or referral to Group Audit. Breaches may also be dealt with in accordance with the relevant ABC employment agreement and may lead to disciplinary action including possible termination of employment.

Definitions

Cardholder: The individual authorised by the ABC to use an ABC Credit or Charge card.

Purchasing Card (VISA): Issued to staff with relevant authorised delegation, for the payment of goods and services required by the ABC, particularly low value one-off goods and services;

MasterCard Corporate Cash Passport (Debit MasterCard): Debit card issued to all overseas travellers to allow funds (other than travel allowance which is paid directly into the traveller's bank account) to be loaded for overseas travel expenditure approved by the Managing Director. Unlike the other cards, cash withdrawals are permitted.

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Details of Policy

Background

The ABC primarily utilises Purchasing Cards (Visa Card) and Mastercard Prepaid cards (Debit MasterCard). A Diners Card has restricted use for the supply of travel services and is not covered by this Policy.

The principles outlined in this policy also apply to credit cards issued by overseas bureaux for use by correspondents and staff in those locations.

Principles

The following principles apply to the operation and control of all Credit and Charge Cards. (Any exceptions for the Debit MasterCard have been noted):

- Transactions charged to Credit and Charge Cards must be for ABC business purposes only;
- For the Visa Card and cards issued by overseas bureaux, only the cardholder may use the Credit or Charge Card within approved credit and transaction limits. For the Visa Cash Card, only the assigned cardholder may use the card within approved transaction limits and for the purposes outlined in the Overseas Travel Proposal approved by the Managing Director;
- When a traveller returns to Australia, any remaining funds left on a Debit MasterCard must not be withdrawn. Remaining funds will be returned to the ABC's bank account;
- Credit and Charge cards must not be utilised to charge expenses that are paid/reimbursed or claimed via other means (i.e. Accounts Payable, Travel Allowance, Petty Cash);
- Cardholders must obtain supporting documentation from vendors for all expenses incurred on their Credit or Charge Card in accordance with the Purchasing Card Procedures, Roles and Responsibilities and the travel diary requirements of the Travel Policy for Debit MasterCards only);
- Monthly statements (with the exception of Debit MasterCards) must be independently reviewed and authorised for payment in accordance with the Delegations Policy;
- When forwarding authorised Credit or Charge Card statements to Shared Services in Adelaide for processing, supporting documentation (including original receipts) must be provided with the statement. Copies of supporting documentation may be retained by the Cardholder;
- Cardholders are responsible for the safe custody of cards and the security of card information. Refer to the Purchasing Card Procedures, Roles and Responsibilities for guidance regarding lost stolen or damaged cards;
- Consistent with the Travel Policy and Procedures and Guidelines, except for overseas accommodation (for Debit MasterCards only) and in emergency situations with delegate approval, Credit and Charge Cards must not be used for domestic or international air travel and related travel expenditure that can be booked and paid for through the ABC's travel management provider, BCD Travel (BCD). An exception to this is the acquittal of frequent

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flyer points process where it is acceptable to charge airport taxes for the redeemed flights using Credit and Charge cards;

- Credit and Charge Cards may be used for approved entertainment costs provided that expenditure is in accordance with the Entertainment Policy and an approved Entertainment Form is completed and attached to the relevant Credit or Charge Card statement;
- It is essential that all Cardholders have an understanding of how to use their Credit and Charge Cards and their responsibilities. An information package is issued to every new Cardholder for both the Purchasing Card, and Debit MasterCard. It is the responsibility of the cardholder to acknowledge receipt and understanding of the information package prior to the first use of their card;
- In addition, managers must also understand their responsibilities in reviewing and authorising card statements;
- Usage of Credit and Charge Cards is monitored and the ABC reserves the right to cancel a Credit or Charge Card if unauthorised transactions are charged to the card, the Cardholder does not use the Credit or Charge Card, or demonstrate an ongoing requirement for the Credit or Charge Card;
- Credit or Charge Cards will be suspended where deadlines for reconciliation are not met. A warning notice will be issued to the Cardholder prior to suspension;
- Credit and Charge Cards cannot be used:
 - to make cash withdrawals or to obtain cash advances (with the exception of the Debit MasterCard and the overseas issued Barclays Card);
 - to purchase gift cards;
 - for personal use expenditure;
 - for purchases from preferred suppliers with whom the ABC has a contract (e.g. COS) or from other suppliers offering the same goods and services as those offered by the preferred suppliers;
 - for expenses related to the ABC motor vehicle fleet;
 - for payment of speeding or parking fines;
 - for international air travel originating in Australia;
 - the acquisition of fixed assets normally acquired through the capital process;
 - where a vendor does not have an ABN (except for purchases charged overseas);
 - Where the purchase price of the goods exceeds the transaction limit applied to the Credit or Charge Card or splitting of transactions into smaller amounts to bypass the transaction limit;
 - Or as otherwise directed under specific ABC policies.