

Senate Standing Committee on Environment and Communications
Answers to Senate Estimates Questions on Notice
Budget Estimates May 2017
Communications Portfolio
Screen Australia

Question No: 33(l)

Screen Australia

Hansard Ref: Written, 02/06/2017

Topic: Credit Cards

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?

Answer:

Screen Australia currently has 30 credit cards on issue.

Breakdown by staff level:

1 x PEO

7 x SES

16 x SAEL2

3 x SAEL1

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2 x SAL6

1 x SAL5

- (a) To attempt to provide the level of detail requested would involve an unreasonable diversion of resources.
- (b) Nil
- (c) Nil
- (d) To attempt to provide the level of detail requested would involve an unreasonable diversion of resources.
- (e) Nil
- (f) Nil
- (g) N/A
- (h) No
- (i) Screen Australia credit card policy attached



Australian Government

SCREEN AUSTRALIA

Finance Policy and Procedures

Policy No:	Subject: Corporate Credit Cards		
Date of Issue:	1 July 2011	Date of Effect:	1 July 2011
Staff Affected:	All Staff issued with a Corporate Credit Card		
Contact Officer(s):	Chief Financial Officer, Senior Financial Accountant,		
Supersedes Policy No:	2008-05, Corporate Credit Cards		
Next Review Date	July 2013		
Policy Approved by: Ruth Harley CEO Date: 01/07/2011		

POLICY AND PROCEDURES

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Attachments:

- A. *New cardholder Form***

1. General

- 1.1 The purpose of the corporate credit card is to provide a payment mechanism that can be used as an alternative to other methods such as direct debit, EFT, cheque or petty cash. This offers particular advantages such as convenience, the potential to reduce paperwork and the prompt payment of suppliers.
- 1.2 The corporate credit card can be used to pay for a wide range of goods and services and in all such cases the expenditure should be approved by the cardholder's immediate Manager before the purchase is made by the cardholder. The expenditure must be appropriately authorised as per Screen Australia's Financial authorisations.
- 1.3 The corporate credit card is purely a payment mechanism and does not alter the required procurement procedures for any purchase.
- 1.4 The corporate credit card should be used for official business purposes only and cannot be used for expenses of a personal or private nature or for the payment of fines, for example a motor vehicle parking fine or a speeding offence even if incurred while on Screen Australia business.
- 1.5 Corporate credit cards should not be used for cash withdrawals.

2. Issue and Control of Corporate Credit Cards

- 2.1 Senior Executives, purchasing staff and staff who are required to travel frequently on behalf of the SA may be issued with a corporate credit card. A card should only be issued where there is a demonstrated need and not on the basis of seniority or where there might be a need some time in the future.
- 2.2 Corporate credit cards are only issued to staff where approval has been obtained from one of the following delegated officers:

- Chief Executive Officer;
- Chief Operating Officer,
- Chief Financial Officer,
- Finance Controller, (in absence of CFO)
- Senior Financial Accountant (in absence of CFO)

The SA's Financial Authorisation grants each officer listed above the power to approve the issue of corporate credit cards.

The maximum individual credit limit for an employee is \$20,000, any limit greater than \$20,000 must be approved by the Board.

- 2.3 All requests for new corporate credit cards should include the reasons for requiring the corporate credit card, the credit limit required, the recommendation of the recipient's immediate Manager and the approval of one of the delegated officers listed in paragraph 2.2. Requests for new

corporate credit cards should be forwarded to the Senior Financial Accountant.

- 2.5 SA makes use of Commonwealth Bank MasterCard, and American Express corporate credit cards. An American Express card may be requested when a staff member will need to travel overseas on a regular basis, however staff will generally be issued with MasterCard due to their greater acceptance.

- 2.6 Credit limits should reflect the expected usage of cards. For budget management and fraud control reasons, it is undesirable to have credit limits in excess of \$10,000 except where there is a demonstrated need, for example if the cardholder is a purchasing officer or travels exceptionally often.

The total of the individual credit card limits must not exceed the total facility limit which is currently \$400,000 as at 1 July 2011.

- 2.7 The Financial Authorisations Policy provides delegated officers with the power to vary individual credit limits within the approved credit card facility. Temporary increases to credit limits can also be obtained on short notice in emergencies.

- 2.8 Staff must sign the "Corporate Credit Card Agreement and Acknowledgement of Cardholder" form (Attachment A) before a card will be issued. This form should be returned to the Senior Financial Accountant.

- 2.9 Upon receipt of the card, cardholders must sign the back of the card immediately and familiarise themselves with the financial institution's terms and conditions governing the use of the corporate credit card.

- 2.10 The Financial Accountant will maintain an up to date register of cardholders which will include information such as name, location of cardholder, credit limits, transaction limits, date card issued and date card cancelled.

3. Purchasing Using the Corporate Credit Card

- 3.1 Cardholders must follow all SA purchasing guidelines, relevant policies including travel and hospitality, expenditure delegation limits and applicable laws when making purchases using the corporate credit card. All cardholders have a credit limit and this limit should not be exceeded. Additionally, some cardholders also have a transaction limit and likewise, this limit should not be exceeded. Purchases should not be made prior to authorisation being obtained from the cardholder's immediate Manager and should be in accordance with the SA's Financial Delegations.

- 3.2 Each cardholder is fully responsible for all charges made on the corporate credit card. SA's liability is limited to business charges only.

- 3.3 In all circumstances the cardholder must maintain records of all transactions, such as a receipt, order form, merchant sales slip, web page printout or substitute payment voucher for telephone purchases.

Furthermore, for all purchases exceeding \$82.50 (including GST) that are subject to GST, a tax invoice must be obtained from the supplier.

- 3.4 The corporate credit card may be used for travel-related expenses including airline expenses, accommodation, meals and incidental expenses, provided that such use is in compliance with the SA's Travel Policy.
- 3.5 The corporate credit card may be used for coincidental private expenditure that results from official use of the card, for example private telephone calls billed to a hotel account. Such private expenditure must be noted on the acquittal and repaid to the SA immediately on return.

4. Misuse of Corporate Cards

- 4.1 SA staff who are issued with a corporate credit card are in a position of trust in regard to the use of public funds. Breach of that trust will render the cardholder liable to disciplinary action.

5. Acquittal of Corporate Credit Card Statements

- 5.1 The monthly credit card statements will be sent to cardholders each month after the Finance Unit receives them from the financial institution. Upon receipt of the monthly credit card statement, the cardholder is required to complete an acquittal spreadsheet, which is located on SA's intranet.
- 5.2 The cardholder must check that the monthly credit card statement is accurate, provide descriptions and explanations for all transactions and the correct TechnologyOne account coding. When all the details have been entered in the acquittal spreadsheet, the completed spreadsheet should be emailed to creditcards@screenaustralia.gov.au.
- 5.3 The cardholder must print and sign their monthly acquittal to endorse that all transactions on the statement are recorded correctly and were conducted for official purposes. All supporting documentation, including tax invoices for all purchases over \$82.50 that were subject to GST, must be attached to the monthly credit card statement.
- 5.4 The cardholder's immediate Manager should examine and approve the monthly credit card statement and supporting documentation in order to substantiate the correct use of the credit card and compliance with purchasing and other relevant policies of the SA (such as travel and hospitality).
- 5.5 The approved acquitted monthly credit card statement should then be forwarded to the Finance Unit for processing.

- 5.6 All expenses on the monthly credit card statements must be fully acquitted by the 20th of each month unless the 20th falls on a weekend, in which case the deadline will be the close of business on the Friday preceding the 20th.

6. Security over Corporate Credit Cards

- 6.1 Cardholders must take strict care over the physical custody of both their corporate credit card and the supporting documentation. At no time should the cardholder permit any other person to use the card nor should the card number be provided to any other person.
- 6.2 Lost credit cards must be notified immediately to both the card issuer and to the Financial Accountant.
- 6.3 When a card is no longer required due to termination, transfer or expiry of the card, the card must be returned to the Senior Financial Accountant for destruction.

7. Reconciliation of the Corporate Cards

- 7.1 The Finance Unit is to reconcile the corporate card statements to the relevant Control Accounts in the General Ledger within 4 business days of month end.
- 7.2 The Senior Financial Accountant is to review, initial and date the Reconciliation as evidence within 6 business days of month end.

8. Records

- 8.1 All forms are to be archived and retained in accordance with SA's Recordkeeping Policy.

ATTACHMENT A - New cardholder Form**CORPORATE CREDIT CARD AGREEMENT & ACKNOWLEDGEMENT OF
CARDHOLDER**

Cardholder's Name:

Position Held:

Department /Unit:

I understand and agree that:

1. I am required at all times to take strict care of the corporate credit card as I am fully responsible for all charges made on the card;
2. The corporate credit card is only to be used for official purposes and in accordance with all purchasing guidelines, relevant policies and procedures and applicable laws;
3. I am only permitted to make purchases which have been appropriately authorised before the purchase is made by my immediate Manager. The purchase must be approved by an expenditure delegate as stipulated in the SA's Financial Delegations;
4. I am permitted to make purchases using the credit card up to the credit limit of \$_____
5. I understand that if I use the credit card otherwise than for the benefit of the SA, I may be guilty of an offence and disciplinary action may be taken against me;
6. Where a charge on the card includes items of a personal nature, payment for these items must accompany the acquittal. Items of a personal nature must only include coincidental private expenditure that results from official use of the card, for example private telephone calls billed to a hotel account. Otherwise, the credit card must only to be used for official purposes;
7. The credit card will not be used for cash advances;
8. All expenses incurred on this credit card and as listed on the monthly credit card statement must be fully acquitted with supporting documentation, including 'Tax Invoices' where relevant, by the 20th day of each month. The monthly acquittal must be signed by the cardholder to certify the expenditure incurred was for official SA business and that it accurately reflects the transactions entered into. The acquitted monthly credit card statement must be reviewed and approved by my immediate Manager and then forwarded to the Finance Unit;
9. If the card is lost or stolen, I am to report it immediately to both the card issuer and to the Financial Accountant; and
10. I have read the SA Corporate Credit Card Policy and Procedures and agree to abide by them.

Signature of Cardholder

Name:

Date: