

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation and Science Portfolio
2016-17 Supplementary Budget Estimates
20 October 2016

DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION AND SCIENCE

TOPIC: Credit and transaction cards

REFERENCE: Written Question – Senator Gallacher

QUESTION No.: SI-4

1. What types of credit and transaction cards (including Cabcharge Fastcard and eTickets) does your department issue?
2. What was the total expenditure for each type of card over the last 3 financial years?
3. Can you break down the expenditure into categories?
4. What is the highest and lowest credit limit for each type of card?
5. How many times in the last 5 years has the credit limit been reviewed?
6. What are Credit Cards used for?
7. What are the Governance/probity rules for employees to follow?
8. Are cash advances allowed?
 - a) Can you list the total amount of cash advances from credit and other transaction cards over the last 3 years?
 - b) Can you provide details on the 10 largest cash advances in your department and provide particulars such as how much was accessed?
 - c) Who approves cash advances in your department in the event of paying suppliers
9. Who reviews transactions in regards to all cards?
10. Who provides assurance to the Minister in respect to probity governance and fraud control?

ANSWER

1. The department has only one credit card type which is issued by Diners Club Australia, the prescribed credit card supplier for travel related services under the Whole of Government travel arrangements.
2. The total expenditure for credit card transactions for the last 3 financial years is as follows:

Financial Year	Total value of all transactions made on these credit cards (exclusive of GST) \$
2013-14	16,824,295
2014-15	15,426,937
2015-16	17,798,050

3. The credit card transactions for the last 3 financial years (GST exclusive) have been categorised as follows:

Financial Year	2015-16 \$	2014-15 \$	2013-14 \$
Travel	11,429,596	10,213,665	11,040,878
Operating Expenses & Supplies	2,694,954	2,171,382	2,102,483
Conferences & Business Catering	1,273,045	766,288	1,170,857
ICT & Telecommunications	717,160	588,733	564,524
Property Operating Expenses	480,810	209,414	346,894
Staff Development & Training	807,595	1,048,662	1,175,500
Other	394,890	428,793	423,159
Total	17,798,050	15,426,937	16,824,295

4. The default credit card limits vary between \$5,500 and \$10,000 per transaction based on business requirements and the officer's APS level. Credit card monthly limits vary between \$20,000 and \$50,000 per month, also based on business requirements and the officer's APS level.
5. A review of the adequacy of card limits was undertaken on 31 March 2015.
6. See response to question 3 above. Purchases need to be consistent with the department's purchasing policy, Commonwealth Procurement Rules and represent value for money.
7. Prior to being issued with a Commonwealth credit card, officials are required to undertake an accreditation test and to sign an agreement which outlines their obligations when using their credit card. In addition, the department conducts regular fraud awareness and financial framework training. Cardholders are also required to acquit their credit card transactions on a monthly basis. Allegations or suspicion of fraudulent activity must be reported to the Fraud Control Officer.
8. There is no cash advance/withdrawal facility attached to the department's Commonwealth credit cards.

9. Each cardholder is required to acquit their monthly credit statement and to submit this statement to their supervisor who is required to review and endorse that the transactions are reasonable and in accordance with Departmental policies and procedures.
10. As part of the annual report process, the Secretary provides certification to the Minister that fraud risk assessments and fraud control plans are in place, as required by the Commonwealth Fraud Control Framework. The responsible Minister is also notified of any significant instances of non-compliance identified through the department's internal compliance reporting processes.