

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

19 – 20 October 2011

Question No: SBT 784 - 789

Topic: Credit Cards

Hansard Page: Written

Senator Bushy asked:

784. How many staff in each department and agency have a corporate credit card?
a) What is their classification?
785. What action is taken if the corporate credit card is misused?
786. How is corporate credit card use monitored?
787. What happens if misuse of a corporate credit card is discovered?
788. Have any instances of corporate credit card misuse have been discovered?
a) List staff classification and what the misuse was, and the action taken.
789. What action is taken to prevent corporate credit card misuse?

Answer:

784. As at 31 October 2011, the Treasury department had 22 Australian Government Credit Cards (AGCCs) issued to staff.
- 784 (a) Classifications of the cardholders are Secretary, SES Band 3, SES Band 1, Executive Level 1, APS 6, APS5 and APS4.
785. The AGCC may be withdrawn if it is suspected or evident the AGCC is not being used in accordance with the Treasury's CEIs. Code of Conduct and/or criminal remedies are available for fraudulent misuse of an AGCC.
786. A process of credit card transactions and statement reconciliation is undertaken. This process includes monitoring of transactions and balances. To ensure timely acquittal of transactions and to mitigate misuse, cardholders are to provide receipts or invoices/memos

within 3 days of the transaction. Credit card statements are centrally received and reconciled to supporting documentation on a monthly basis.

787. If there is suspected misuse of an AGCC, an initial investigation will occur. If this investigation concludes that misuse is evident, the CFO can request for the AGCC to be withdrawn. Following on from this, the CFO will:
- Provide written advice to the cardholder's General Manager stating why the AGCC has been withdrawn;
 - Arrange for an investigation regarding misuse of a Commonwealth credit card under the FMA Act Section 60 and/or the *Public Service Act 1999* Section 15; and
 - Cancel the AGCC if it is evident that the card has been misused and the cardholder is in breach of Treasury's policy and procedures.
788. No instances have been discovered in the Treasury regarding the misuse of an AGCC.
789. The Treasury has minimised the number of AGCCs issued to staff (currently 2% of staff have an AGCC). There is a dedicated Chief Executive Instruction on the policy and procedures for using the AGCC, and an agreement is signed outlining cardholder responsibilities when receiving the AGCC. Transactions are entered into the finance system by a staff member who is not a credit cardholder who also reviews for potential misuse. Receipts are centrally checked.