

**Senate Finance and Public Administration Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**ADDITIONAL BUDGET ESTIMATES 2013-2014**

Finance Portfolio

**Question reference number:** F112

**Senator:** Ludwig

**Topic:** Credit cards

**Type of question:** Written

**Date set by the committee for the return of answer:** Friday, 11 April 2014

**Number of pages:** 4

**Question:**

1. Provide a breakdown for each employment classification that has a corporate credit card.
2. Please update details of the following:
  - 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 since Supplementary Budget Estimates in November 2013? List staff classification and what the misuse was, and the action taken.
  - e) What action is taken to prevent corporate credit card misuse?

**Answer:**

Department / Agency	Response
Finance	<p>1. As at 28 February 2014:</p> <ul style="list-style-type: none"> <li>• 43 APS staff;</li> <li>• 84 EL staff; and</li> <li>• 74 SES staff.</li> </ul> <p>2. a)–c) No update since Additional Budget Estimates, February 2012. Refer to the response to Question F111.</p> <p>d) Since the Supplementary Budget Estimates in November 2013 there have been four inadvertent breaches of credit card Chief Executive Instructions and Operational Guidelines:</p> <ul style="list-style-type: none"> <li>• 3 x Executive Level officers; and</li> <li>• 1 x by SES officer.</li> </ul> <p>In all instances, employees identified the accidental misuse, reported it to their manager and have reimbursed the Department. All employees concerned were reminded of their responsibilities as a credit card holder under the Chief Executive Instructions and Operational Guidelines.</p> <p>e) No update since Additional Budget Estimates, February 2012. Refer to the response to Question F111.</p>

AEC	<p>1. As at 31 January 2014:</p> <ul style="list-style-type: none"> <li>• 407 APS staff;</li> <li>• 65 EL staff; and</li> <li>• 17 SES staff.</li> </ul> <p>2.</p> <p>a)–c) No update since Supplementary Budget Estimates November 2013. Refer to the response to F114.</p> <p>d)</p> <table border="1" data-bbox="495 436 1362 947"> <thead> <tr> <th data-bbox="495 436 654 501">Date</th> <th data-bbox="654 436 885 501">Staff classification</th> <th data-bbox="885 436 1133 501">Details of credit card misuse</th> <th data-bbox="1133 436 1362 501">Action taken</th> </tr> </thead> <tbody> <tr> <td data-bbox="495 501 654 724">September 2013</td> <td data-bbox="654 501 885 724">Permanent employee QLD Divisional Office Classification: APS 6</td> <td data-bbox="885 501 1133 724">Accidental use of credit card for personal purposes.</td> <td data-bbox="1133 501 1362 724">No cash loss to the AEC as the staff member immediately repaid the amount once it was identified.</td> </tr> <tr> <td data-bbox="495 724 654 947">September 2013</td> <td data-bbox="654 724 885 947">Permanent employee WA State Office Classification: EL2</td> <td data-bbox="885 724 1133 947">Accidental use of credit card for personal purposes.</td> <td data-bbox="1133 724 1362 947">No cash loss to the AEC as the staff member immediately repaid the amount once it was identified.</td> </tr> </tbody> </table> <p>e) No update since Supplementary Budget Estimates November 2013. Refer to the response to F114.</p>	Date	Staff classification	Details of credit card misuse	Action taken	September 2013	Permanent employee QLD Divisional Office Classification: APS 6	Accidental use of credit card for personal purposes.	No cash loss to the AEC as the staff member immediately repaid the amount once it was identified.	September 2013	Permanent employee WA State Office Classification: EL2	Accidental use of credit card for personal purposes.	No cash loss to the AEC as the staff member immediately repaid the amount once it was identified.
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ComSuper	<p>1. As at 12 March 2014, ComSuper had 33 credit cardholders, held by the following classification of staff:</p> <ul style="list-style-type: none"> <li>• 17 APS staff;</li> <li>• 10 EL staff; and</li> <li>• 6 SES staff.</li> </ul> <p>2. a)-b) All holders of corporate credit cards are responsible to ensure that they comply with ComSuper’s credit card policy (including reporting to the CFO of any suspicious or unauthorised transactions) and acquit their card on a monthly basis. All credit card acquittals are reviewed by Financial Management Branch (FMB) prior to approving the acquittal. The review confirms each transaction has appropriate documentation and approval as well as being consistent with ComSuper’s policy.</p> <p>Where a transaction appears inconsistent with relevant ComSuper policy, or a cardholder has not undertaken their acquittal for a period greater than one month, this is reported to the Chief Financial Officer (CFO).</p> <p>Where appropriate the CFO will in turn contact the cardholder and the Chief Governance Officer (CGO). If the misuse included personal use the cardholder would be invoiced the full amount and depending on the severity of the breach of policy the CFO has the discretion to cancel the cardholder’s credit card.</p> <p>Where the CGO considers it appropriate, action may be taken in accordance with internal policies and procedures. Legal action may be taken under Section 60 of the <i>Financial Management and Accountability Act</i> or as a breach of the APS Code of Conduct.</p> <p>c) A staff member who becomes aware of any misuse of, or unauthorised transactions on, a corporate credit card must immediately report it to FMB. Action</p>												

	<p>is then taken in accordance with the process outlined above in part 2 (a) &amp; (b).</p> <p>d) No.</p> <p>e) When applying for a corporate credit card officers are required to attend one-on-one training which details their obligations under ComSuper’s credit card policy. Prior to receiving the card the applicant is required to sign that they understand and commitment to adhere with their obligations. FMB also conducts credit card training sessions every two months and compulsory annual awareness training.</p>
<p>Commonwealth Superannuation Corporation</p>	<p>1.</p> <ul style="list-style-type: none"> <li>• 1 x Analyst;</li> <li>• 1 x Assistant Secretary;</li> <li>• 1 x Chief Executive Officer;</li> <li>• 1 x Chief Investment Officer;</li> <li>• 2 x Corporate Administrator;</li> <li>• 1 x Corporate Secretary;</li> <li>• 1 x Financial Planner;</li> <li>• 3 x General Manager;</li> <li>• 2 x Manager;</li> <li>• 2 x Member Education Consultant;</li> <li>• 2 x Senior Analyst;</li> <li>• 2 x Senior Executive; and</li> <li>• 7 x Senior Manager.</li> </ul> <p>2.</p> <p>a) If a corporate credit card is misused, the individual, senior manager and CEO would immediately be advised. Immediate steps would be taken to investigate the misuse, correct the action (repay if in error, or more serious consequences (disciplinary steps) if deliberate).</p> <p>b) Corporate credit card use is monitored by CSC Business Services team, reviewing monthly credit card statements of all credit card holders and overseen by Senior Executive HR &amp; Business Services, including cross checking against travel, trips, training etc. Any unusual items would be further investigated. The CEO also reviews monthly credit card statement summaries of his direct reports (senior management team).</p> <p>c) As in a) above.</p> <p>d) No instances of misuse discovered.</p> <p>e) As in a) and c) above.</p>
<p>Future Fund Management Agency</p>	<p>1. Eighty-eight active credit cards:</p> <ul style="list-style-type: none"> <li>• FFMA1 - 10</li> <li>• FFMA2 - 13</li> <li>• FFMA3 - 16</li> <li>• FFMA4 - 19</li> <li>• FFMA5 - 16</li> <li>• FFMA6 - 9</li> <li>• FFMA7 - 5</li> </ul> <p>2.</p> <p>a) The Managing Director of the FFMA will determine appropriate action, in accordance with internal policies and procedures</p> <p>b) All statements require approval of the relevant manager of the card user and are reviewed by the CFO each month.</p> <p>c) The CFO investigates any questionable credit card transactions and reports</p>

	<p>to the Managing Director all significant breaches.</p> <ul style="list-style-type: none"><li>d) No.</li><li>e) All staff are provided with the relevant Chief Executive Instruction on the use of credit cards when they commence employment. All staff are required to sign off annually that they have complied with the Agency's policies, including the use of credit cards.</li></ul>
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