

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

Prime Minister and Cabinet Portfolio

**Department/Agency:** Australian National Audit Office

**Outcome/Program:**

**Topic:** Credit cards

**Senator:** Ludwig

**Question reference number:** 190

**Type of question:** Written

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

**Number of pages:** 2

**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.
3. What action is taken to prevent corporate credit card misuse?

**Answer:**

Q1. Whole-of-Government procurement arrangements require that the Diners Club credit card is to be used for the payment of all flights, accommodation and rental cars. To facilitate compliance, the ANAO assigns each employee with a unique Diners card number in the travel booking system for payment of these services. The ANAO also issues a physical corporate credit card where an employee:

- is required to travel on official business and will incur additional costs while travelling, such as taxis;
- is required to travel overseas. The employee will be provided with a Diners issued MasterCard for the duration of the travel; or
- is employed in the corporate area and business requirements necessitate a purchasing card.

The following table shows breakdown by employment classification of staff issued a physical credit card as at January 2014:

APS 3	APS 4	APS 5	APS 6	EL1	EL2	SES	Total
11	13	13	28	54	71	28	218

The ANAO also holds 32 Diners Club issued MasterCard securely onsite on behalf of employees who undertake international travel. These credit cards are only available to employees during periods of travel.

Q2

- a. If there is misuse of any corporate credit cards (i.e. not in accordance with the ANAO Procedural Rules for credit card usage) proceedings may be instigated against the staff member under section 60 of the *Financial Management and Accountability Act 1997* (FMA Act) and section 15 of the *Public Service Act 1999* (PS Act). If found guilty, they may be liable for a fine, sanctions, imprisonment and/or dismissal from office.
- b. The Card Issuing Official is responsible for maintaining a record of the details of all credit cards issued and of credit cards that are cancelled or reported as lost or stolen. The Card Issuing Official and ANAO supervisors are required to monitor the usage of individual credit cards to confirm the ongoing need for them and recommend to the CFO the cancellation of under utilised credit cards.
- c. If there is a misuse of a corporate credit by an ANAO staff member it must be immediately reported to the CFO who will take the appropriate action as outlined in the FMA Act and PS Act.
- d. There have been no instances of corporate credit card misuse for period 1 December - 31 January 2014.

Q3. All staff members that are issued with an ANAO corporate credit card must first read the rules for the 'Use of Credit cards' which exists in our Auditor-General's Instructions and Procedural Rules. Prior to handing over the credit card the Card Issuing Officials ensure that they read and sign the cardholder agreement and acknowledgement which outlines their responsibility of being a card holder. The Card Issuing Officials also ensure that the Cardholder has been briefed on the requirement for financial delegation (i.e. approval to have been made) before use of the credit card and must ensure that cardholders are appropriately briefed or receive training in the use of the credit card.