

SENATE STANDING COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS  
ATTORNEY-GENERAL'S DEPARTMENT

**Portfolio**

**Question No. 84**

**Senator Humphries asked the following question at the hearing on 14 February 2012:**

Credit Cards

For this financial year to date:

1. How many staff in each department and agency have a corporate credit card? What is their classification?
2. What action is taken if the corporate credit card is misused?
3. How is corporate credit card use monitored?
4. What happens if misuse of a corporate credit card is discovered?
5. Have any instances of corporate credit card misuse have been discovered? List staff classification and what the misuse was, and the action taken.
6. What action is taken to prevent corporate credit card misuse?

**The answer to the honourable senator's question is as follows:**

See responses below

**Australian Law Reform Commission**

1. Three staff with the following classifications 1 x SES Band 3 (President), 1 x SES Band 1 (Executive Director), 1 x EL1 (Finance Manager)
2. Misuse of the corporate credit card would be dealt with under the ALRC's Fraud Control Plan and the Reporting obligations set out within this plan. The ALRC's Fraud Control Officer (Executive Director) is responsible for the initial receipt of information on suspected instances of fraud and is responsible for misconduct in accordance with the ALRC guidelines on Managing Breaches of the Code of Conduct generally.
3. Every month all payments on credit card statements are matched against invoices and checked and approved by both the signatory to the card and either the CFO or Finance Manager.
4. See 2 above

5. No
6. All ALRC credit card holders sign documentation agreeing to the terms and conditions of holding an ALRC credit card and statement that they understand appropriate use of the credit card. All payments are approved by the manager or CFO so that each payment has two signatures for approval.

### **Attorney General's Department**

1. There are 649 cards on issue across the Department. All employees can apply for a credit card which will be approved if there is a strong business requirement.
2. The Department's response to this question defines misuse as obtaining financial gain by deception. Where a corporate credit card is misused, the matter is treated in accordance with the Department's Fraud Control Plan which includes investigation and potential prosecution or other administrative or civil sanctions. In addition, action is taken to recover funds and the fraud is reported as a breach of the Financial Management Act 1997 and to the Australian Institute of Criminology.
3. All purchases must be approved by an authorised officer who is not the credit card holder. The Department also conducts regular sample testing of credit card transactions for identify personal use. Credit card transactions are posted daily in the Financial Management Information System and the "merchant code" advises the type of purchase. New merchant codes are investigated.
4. Refer to the Department's response to part 2 of QON 84.
5. Yes
  - In 2011 to date: 0
  - In 2010-11: 0
  - In 2009-10: 1 matter was discovered relating to personal use of a corporate credit card. The staff member was an EL1. The staff member has since resigned and monies are being recovered.
6. The Department has established a number of internal controls to prevent credit card misuse. Each credit card holder is required to sign a corporate credit card agreement acknowledging their obligation to use the card for proper purposes. Further instructions are provided in the Chief Executive Instructions and incorporated into training available to all Departmental officers. All credit cards are issued with a monthly credit card limit commensurate with staff responsibilities. Every month all transactions are acquitted by the credit card holder and approved by an authorised officer who is not the credit card holder. On an annual basis credit card holders are required to certify their compliance with the Financial Management Act 1997 as part of the Department's certificate of compliance processes. The Department also conducts regular sample testing of credit card transactions to identify personal use.

Staff are encouraged to report all instances of suspected fraud to their supervisor, the Department's Governance Section, or anonymously via the Department's Report a suspected fraud web form.

### **Office of Parliamentary Counsel**

1. 2 - First Parliamentary Counsel x 1, SES Band 1 x 1.
2. Any instances of misuse are to be reported to a member of the Senior Management Team and investigated in accordance with the Commonwealth Fraud Control Guidelines.
3. Corporate credit card use is monitored by the Accountant.
4. Any instances of misuse are to be reported to a member of the Senior Management Team and investigated in accordance with the Commonwealth Fraud Control Guidelines.
5. No
6. The following controls are in place to prevent corporate credit card misuse:
  - Instructions and guidance provided by OPC's Chief Executive Instructions and procedural guidelines;
  - Cardholder agreement and acknowledgement form signed by each cardholder;
  - The card issuing official and the Accountant cannot be issued with a credit card;
  - Monitoring of cardholder use and a reporting mechanism in place;
  - Corporate credit card use is not the preferred option of payment for procurement of goods or services and purchases using the corporate credit card must undergo the same approval processes as other procurements; and
  - Cardholders cannot withdraw cash from the card or use the card for private expenditure.

### **Australian Government Solicitor**

1. 74 selected administrative and legal staff have AGS corporate credit cards.
2. AGS has no experience of misuse of credit cards by employees. AGS employees are subject to AGS's Code of Conduct, which would be applied in any relevant situation.
3. Line managers of card holders monitor the monthly accounts and approve payments to the card provider.
4. See response to part 2.
5. No internal abuses.

6. AGS's internal controls draw attention to the requirements of cardholders and ensure independent review of payments. Transaction limits are created and enforced by the card provider.

### **Australian Human Rights Commission**

1. Credit cards are generally issued to staff who are required to undertake regular travel or who are required to undertake corporate procurement for the Commission. There are currently 15 Cards on issue:  
  
6x Statutory Office Holders, 1xSES Band 2, 2x Executive Level 2, 1 x Executive Level 1, 1x APS Level 6, 2 x APS Level 5, 2 x APS Level 4,
2. Procedures for investigating misuse of Commonwealth resources are laid down in the Commission's Chief Executive Instructions and Fraud Control Plan. The identified procedures specify potential penalties and action for any misuse.
3. Monthly account reconciliation and review and approval by relevant delegates and internal and external audit.
4. See answer to part (2).
5. No
6. Card holders are directed to the Commission Credit Card policy laid down in the CEI and FM Guidelines. Also refer to answer to part (3) above

### **Federal Court of Australia**

1. There are 44 cards on issue currently. The classification of staff holding cards ranges between APS3 – SES B1
2. The circumstances of the misuse are fully investigated. Depending on the result of the investigation, action may range from a reprimand to referral to the police.
3. All monthly card statements are checked and approved by an officer other than the holder of the card. This officer checks that all use is within the guidelines.
4. See question 2.
5. Yes. Staff classification APS 6 reported inadvertent misuse of their own corporate card for a personal expense. The Court was repaid in full and no further action was taken.
6. All credit card holders are required to sign an acknowledgment of proper use on receipt of the card. All transactions on corporate credit cards are checked monthly by an independent officer to ensure that all use is legitimate.

## **Family Court of Australia**

1. 37 staff members have a corporate credit card. Their classifications are:
  - 1 CEO
  - 2 SES2
  - 3 SES1
  - 6 EL 2
  - 7 EL1
  - 2 APS 6
  - 2 APS 5
  - 7 APS 4
  - 7 APS 3
2. Possible misuse of a corporate credit card it is immediately reported to the Executive Director Corporate. All instances of alleged misuse are promptly investigated by the Court in accordance with the Court's Fraud Control Policy, Plan and Procedures.
3. Accountability for each specific purchase on a corporate credit card primarily resides with the card holder and the relevant manager. The manager reviews all purchases on a monthly basis. In addition, monitoring of corporate credit card use is undertaken monthly as part of a centralised reconciliation and reporting process. An independent internal audit of credit card use was undertaken this financial year, reporting to the Audit Committee. The audit concluded that the Court has strong credit card policies and good prevention and detection controls to effectively manage credit card usage.
4. Possible misuse of a corporate credit card it is immediately reported to the Executive Director Corporate. All instances of alleged misuse are promptly investigated by the Court in accordance with the Court's Fraud Control Policy, Plan and Procedures.
5. Yes, a single occurrence of a misuse of a credit card was identified this financial year, involving a staff member at the EL 1 classification. The misuse involved the use of the card for an item of personal expenditure. The action taken included: the confiscation of the card, notification of the misuse to the Executive Director Corporate and Chief Executive Officer, investigation of the misuse, reparation of

the expenditure to the Court, counselling of the officer involved, and application of a probationary period.

6. Credit card misuse is prevented by ensuring staff issued with a credit card, are familiar with the APS code of conduct, the Courts credit card policy and procedures, Chief Executive Instructions, the FMA Act, regulations and orders, and other relevant legislation policies and procedures. All staff members are provided with training on Fraud Awareness in accordance with the Court's Fraud Control Policy and Procedures. Credit card misuse is also prevented by a) ensuring that staff meet all accountability requirements and b) close monitoring by their manager and c) monitoring via centralised reconciliation and reporting processes.

### **Federal Magistrates Court**

1. 2 staff members have a corporate credit card. Their classification are:
  - 1 EL2
  - 1 SES1
2. Possible misuse of a corporate credit card it is immediately reported to the Executive Director Corporate. All instances of alleged misuse are promptly investigated by the Court in accordance with the Court's Fraud Control Policy, Plan and Procedures.
3. Accountability for each specific purchase on a corporate credit card primarily resides with the card holder and the relevant manager. The manager reviews all purchases on a monthly basis. In addition, monitoring of corporate credit card use is undertaken monthly as part of a centralised reconciliation and reporting process. An independent internal audit of credit card use was undertaken this financial year, reporting to the Audit Committee. The audit concluded that the Court has strong credit card policies and good prevention and detection controls to effectively manage credit card usage.
4. Possible misuse of a corporate credit card is immediately reported to the Executive Director Corporate. All instances of alleged misuse are promptly investigated by the Court in accordance with the Court's Fraud Control Policy, Plan and Procedures.
5. No there was no misuse of a credit card this financial year.
6. Credit card misuse is prevented by ensuring staff issued with a credit card are familiar with the APS code of conduct, the Courts credit card policy and procedures, Chief Executive Instructions, the FMA Act, regulations and orders, and other relevant legislation policies and procedures. All staff are provided with training on Fraud Awareness in accordance with the Court's

Fraud Control Policy and Procedures. Credit card misuse is also prevented by a) ensuring that staff members meet all accountability requirements b) close monitoring by their manager and c) centralised reporting processes.

### **Office of the Australian Information Commissioner**

1. There are currently 8 Card Holders: 2 x Statutory Office Holders, 2 x SES Band 1, 1 x APS 6, 3 x APS 5.
2. Detailed procedures for investigating misuse of Commonwealth resources are laid down in the Agency's Chief Executive Instructions and Fraud Control Plan. The identified procedures specify potential penalties and action for any misuse.
3. Monthly account reconciliation and review and approval by relevant delegates and internal and external audit.
4. See answer to part 2.
5. No.
6. Card holders are directed to the Agency's Credit Card policy laid down in the CEI and FM Guidelines. Also refer to answer to part (3) above. All card holders are required to sign a Card Holder Responsibilities form acknowledging these responsibilities.

### **Administrative Appeals Tribunal**

1. 20 staff of the Tribunal have a corporate credit card:

SES1 x 1

EL2 x 5

EL1 x 5

APS6 x 4

APS5 x 2

APS4 x 3

The President and Registrar also have corporate credit cards.

2. Misuse of a corporate credit card is reported to the Tribunal's security manager and the Registrar at first instance and, as appropriate, referred for internal investigation or to the Australian Federal Police or Director of Public Prosecutions.

3. The record of each transaction must be submitted to the Finance Section accompanied by a signed declaration stating the purpose of the expenditure and certifying that it is for official purposes. Monthly accounts are reviewed by the Finance Section for verification.
4. Misuse of a corporate credit card is reported to the Tribunal's security manager and the Registrar at first instance and, as appropriate, referred for internal investigation or to the Australian Federal Police or Director of Public Prosecutions.
5. No
6. The Tribunal's Chief Executive Instructions and other procedural requirements mean cardholders must acknowledge in writing when issued a card and must certify each transaction as being in accordance with the usage policy. The Finance Section reviews all credit card accounts each month.

### **CrimTrac**

1. 32 CrimTrac staff have a corporate credit card.

Classifications of credit card holders: 1 x CEO, 2 x SES1, 15 x EL2, 5 x EL1, 1 x APS6, 2 x APS5, 4 x APS4.

2. The action will depend on the nature of the misuse and circumstances. Action may include card cancellation, criminal action in the case of fraud, action for breach of APS code of conduct, training or no action.
3. Credit card use is monitored monthly via reconciliation of credit card statements and supervisor review of all transactions. There is also periodic review of credit cards held by the agency.
4. The action will depend on the nature of the misuse and circumstances. Action may include card cancellation, criminal action in the case of fraud, action for breach of APS code of conduct, training or no action.
5. CrimTrac did not identify any instances of credit card misuse in 2010-11 or for January 2012 financial year to date.
6. CrimTrac has clear policies on the use of credit cards. Credit card holders are required to acknowledge the credit card terms of use and policy, undertake training and credit card use is monitored.



## ACLEI

1. See below:

Number of cards	Classification of card holders
1	Integrity Commissioner
1	Senior Executive
7	Executive Level 2
9	Executive Level 1
4	APS 6
3	APS 5
3	APS 4
28	TOTAL Credit Card Holders

2. For suspected intentional misuse, ACLEI investigates in accordance with the Commonwealth Fraud Control Guidelines.
3. Reconciliation of monthly credit card statements against retained transaction receipts. The reconciliation process requires the statement to be signed by the cardholder and approved by the appropriate delegate, usually the cardholder's manager. All monthly statements are checked by Agency finance staff.
4. For suspected intentional misuse, investigation in accordance with Fraud Control Guidelines.
5. There have been no instances where intentional misuse by ACLEI employees was discovered or suspected.
6. Along with the monthly monitoring process described at answer 3, the agency undertakes annual accountability training for all staff. Upon issue of corporate credit card, cardholders are required to sign an Acknowledgement of Responsibilities declaration and agreement from the cardholder is obtained regarding the rules of use of the corporate credit card. The issue of all corporate credit cards is approved centrally by the Director Corporate Services based on stated business needs. ANAO audit financial transactions as part of the annual assurance audit and ACLEI conducts an annual internal audit of financial controls (performed by an outsourced provider). Both audits contain random checking of credit card transactions and controls.

## National Native Title Tribunal

1. Fourteen corporate cards, of which 1 is issued to a Statutory Holder of Public Office, and 13 are issued to APS employees who are required to undertake corporate procurement for the NNTT.

Classification of card holders:

1x Holder of Public Office

1x Executive Level

2x APS Level 6

1x APS Level 5

5x APS Level 4

3x APS Level 3

1x APS Level 2

2. The NNTT's Chief Executive Instructions, dated October 2011, provides for the Use of Australian Government Credit Cards, and directs that an official who becomes aware of an apparent misuse of a NNTT credit card must report the matter immediately to the Chief Financial Officer. Any reported misuse will be treated in accordance with the NNTT's Fraud Control Plan 2011-14 which includes investigation and potential prosecution or other administrative or civil sanctions as appropriate. Further actions can include the recovery of funds, as well as reporting a breach of the *Financial Management Act 1997*.
3. The NNTT's Financial Management Policy and Procedure on the use of credit cards, provides the framework for monitoring corporate credit card use. All transactions are reconciled on a regular basis. All purchases are approved by a delegate (Reg 9) prior to the card holder entering into the transaction (Reg 8).
4. As noted for (2)
5. There have been two instances of misuse, neither of which involved fraud by the cardholder. In the first, the statutory officer holder used the card mistaking it for a personal credit card, which was very similar in appearance to the corporate card. The relevant amount (less than \$200) was immediately repaid to the NNTT and the misuse reported formally as a compliance breach. In the second instance, the card which belonged to an APSL4 was stolen by an external person along with other items. The card was cancelled and a report made to the police. The card was used by the external person, and these costs were charged to the credit card but were subsequently recovered by the Bank.

6. The NNTT implements the following to prevent corporate credit card misuse:

- limiting of access to cards,
- card holders must be approved by the Tribunal's Finance Section and Supervisor,
- training in use, responsibilities and internal policy,
- regular reconciliation,
- regular review of all transactions by Finance.

### **Australian Transaction Reports and Analysis Centre (AUSTRAC)**

1. 42 cardholders:

1 x APS4  
2 x APS5  
3 x APS6  
9 x EL1  
14 x EL2  
10 x SES1  
2 x SES2  
1 x CEO

2. Chief Finance Officer (CFO) is advised and cardholder is contacted for reimbursement via payroll or direct reimbursement and the funds are fully recovered. Where credit card misuse is considered intentional, the agency security advisor is informed and a code of conduct review may be initiated.
3. Monthly statements are reviewed by each cardholder's senior manager and Finance staff. Cardholders are required to fully acquit all expenditure on a monthly basis.
4. CFO is advised and cardholder is contacted for reimbursement via payroll or direct reimbursement and the funds are fully recovered. Where credit card misuse is considered intentional, the agency security advisor is informed and a code of conduct review may be initiated.
5. YTD 2012: Nil.
6. Cardholders sign an acknowledgement biannually that they have read and agreed to agency policy on the proper use of corporate credit cards. Staff are also periodically provided with fraud awareness training covering the proper use of Commonwealth resources.

## **Insolvency and Trustee Service Australia**

1. The Insolvency and Trustee Service Australia (ITSA) has 18 staff that have been issued with a corporate credit card. Classifications of these staff are at the APS 3 – SES 1 level.
2. Reference : ITSA Procedural Rule 3

*National Managers are required to withdraw and request cancellation of a card holder's corporate credit card where it is found that the official has not complied with the Chief Executive Instructions, (in particular, the conditions specified in the Cardholder Agreement and Acknowledgement Form signed by the official).*

*Every ITSA official who discovers an instance of corporate credit card misuse, or a suspected case of misuse, is to report it, as soon as practicable, to the National Manager, Corporate Strategy and Support (through their National Manager/ Business Services Manager, as appropriate).*

3. It is the responsibility of certifying officials to ascertain if improper or unauthorised use of a card has occurred or is suspected. Periodic reviews are performed to monitor the frequency of usage for corporate credit cards.

The corporate credit card statement is also reconciled to the transaction vouchers and receipts/tax invoices from the supplier provided by the corporate credit card holder. Any additional charges are followed up, initially with the card holder, and if necessary with the corporate credit card provider.

4. Reference : ITSA Procedural Rule 3  
*National Managers are required to withdraw and request cancellation of a card holder's corporate credit card where it is found that the official has not complied with the Chief Executive Instructions (in particular, the conditions specified in the Cardholder Agreement and Acknowledgement Form signed by the official).*

*Every ITSA official who discovers an instance of corporate credit card misuse, or a suspected case of misuse, is to report it, as soon as practicable, to the National Manager , Corporate Strategy and Support (through their National Manager/ Business Services Manager, as appropriate).*

Incident investigation is carried out to determine the level, nature and extent of misuse, in accordance with the requirements set out in the *Fraud Control Guidelines*.

5. No known instances.
6. No known instances.

## **Australian Institute of Criminology**

1. 5 Employees APS3 – 1, APS5 – 2, APS6 – 1, EL2 – 1
2. Employee would be formally counselled and depending on severity of the misuse and potentially dismissed
3. Through monthly review and reconciliation by Finance section and delegate review
4. Director / CFO notified and action taken immediately to counsel employee and/or cancel card.
5. No
6. Training is provided before staffs are issued with a corporate credit card which includes advice on appropriate use of Credit cards, financial delegations and this requires users to sign-off on a card user acknowledgement form.

Monthly reconciliations and review of credit card use also assist in preventing misuse of credit cards

## **Australian Crime Commission**

1. 85 ACC Staff have a corporate credit card and their classification ranges as per the breakdown below:  
  
APS3 - 2, APS4 -7, APS5 - 7, APS6 - 2, EXEC L1 - 25, EXEC L2 -28, SES L1 -8, SES L2 - 2, Secondes - 3 & CEO -1
2. In accordance with Chief Executive Instructions, any case of misuse is reported and investigated internally under ACC misconduct procedures. Deliberate misuse may also refer to the AFP. All misuse is recorded as FMA Act s60 breaches in the annual Certificate of Compliance.
3. Credit cards are issued on approval of the relevant National Manager and reviewed monthly by the ACC credit card Administrator. The monthly statements are issued to card holders to acquit and they must have the expenditure signed off by an independent financial delegate (usually the supervisor) as appropriate business use. The CFO undertakes a quality assurance review when approving statements for payment.
4. See answer to question 2.

5. Classification – EL2 level staff

- Cardholders used their Corporate Credit Card to pay for non business costs:

-Three instances the staff members repaid the transactional amounts and have been counselled.

- Action: Chief Financial Officer and cardholder notified of the breach. Staff members were officially cautioned and asked to re-read the ACC Credit Card policy. Breaches were reported in the 2010-11 Certificate of Compliance. Amounts were repaid by the staff members concerned. Staff induction process updated to include appropriate use of credit cards

6. Card holders are required to sign a Cardholder Agreement and Acknowledgement Form on receipt of their Corporate Credit Card. The Agreement and Form are witnessed and returned to the Credit Card Administrator. This acknowledges that the cardholder understands the responsibilities and limitations of the Corporate Credit Card. The majority of Corporate Credit Cards have a \$2,000 transaction limit and a \$10,000 monthly limit in order to limit the value of purchases made.

Credit card usage is required to be acquitted each month. Every credit card holder must have the monthly expenditure signed off as appropriate business use, by an independent financial delegate (usually the supervisor).

## Australian Customs and Border Protection

1. As at 28 February 2012, there were 1,116 employees within Customs and Border Protection who had been issued with a corporate credit card.

Current listing of credit card holders by their classification is illustrated in the table below:

Classification	No. of Cards Issued	Classification	No. of Cards Issued		No. of Cards Issued
Chief Executive Officer	1	Customs Level 5 (EL2)	156	Customs Level 1 (APS 4)	76
SES Band 3	3	Customs Level 4 (EL1)	224		
SES Band 2	12	Customs Level 3 (APS 6)	300		
SES Band 1	46	Customs Level 2 (APS 5)	298		

2. If it is identified that there is a suspect corporate credit card transaction, an investigation is conducted by the Integrity and Professional Standards (I&PS) Branch. Where I&PS detect instances of serious non-compliance with the use of a credit card (that is, activity that is potentially criminal in nature) the matter may be referred to the Australian Federal Police or the Commonwealth Director of Public Prosecutions.

Where the agency identifies continued non-serious non-compliance, the matter is referred to the National Director People and Place and the line manager to consider if Administrative Action should take place; that is, removal of the credit card and discipline under the Code of Conduct.

3. Credit card holders are required to acquit their credit card within five days of the end of the billing period. A second official is required to authorise the entry of the transaction into the Financial Management Information System (FMIS). Internal Audit also performs bi-annual substantive testing of all credit card transactions which includes using Computer Assisted Audit Techniques to identify any transactions which do not meet the specified criterion. Follow up action is taken when necessary.

Internal Audit and I&PS conduct reviews of credit card usage and misuse issues within the credit card system

4. See response for (2)
5. Since 1 July 2010, there was one instance of credit card misuse that has been detected and referred to the I&PS area for investigation  
The misuse detected was:

- In April 2011 an allegation of misuse involving an official credit card to purchase personal items was referred to I&PS. This instance of non-compliance involves a Customs Level 2 Officer. This matter is currently with the Commonwealth Director of Public Prosecutions.
6. The internal controls that are in place to prevent corporate credit card misuse include the following:
- Officials are required to sign a Credit Card Holder Agreement stating that they agree to comply with the conditions set out in that Agreement;
  - Ensuring that only officers at Director (CL5, EL2 equivalent) and above can authorise corporate credit card applications after identifying that a legitimate business need exists for the staff members to hold a corporate credit card;
  - Undertaking bi-annual internal credit card audits which include substantive testing of credit card transactions using Computer Assisted Audit Techniques. Any transactions identified that are outside of the normal expenditure pattern are reviewed and additional information is sought from credit card holders as required;
  - Customs and Border Protection relies on internal policy documentation to educate staff and make them aware of their responsibilities as a credit card holder including what constitutes official expenditure and which transactions can be processed using the corporate credit card. These documents include the Chief Executives Instructions, an Instructions and Guideline on corporate credit cards, the Corporate Credit Card Holder Agreement and other published resources on the intranet which are circulated throughout Customs and Border Protection via correspondence and media;
  - Internal system controls have been implemented which requires all acquitted transactions to be reviewed and authorised by an independent person before the transactions are posted in the FMIS;
  - Managers review credit card expenditure within their respective business areas on an ongoing basis, with any misuses being reported to the Executive and I&PS;
  - Limits are placed on the amount of monthly expenditure that can be incurred on a particular credit card. Individual transaction limits also apply to each card; and
  - Internal Audit and I&PS conduct regular non-compliance activities related to credit card usage and fraud and security awareness information sessions that raise awareness of issues including credit card fraud.



## **Australian Security Intelligence Organisation**

1. 1,080 (as at 29 February 2012) ASIO Officer Grade 3 (APS4) – Senior Executive Service
2. Should a corporate credit card be misused, staff are counselled and, in some cases, the credit card may be cancelled and withdrawn from use by the staff member.
3. All transactions against a corporate credit card are approved by Line Managers. ASIO's Finance Team conducts spot checks and regular, random audits of credit card transactions.
4. Please see answer to part 1).
5. No instances of malicious misuse have been identified. Misuse of corporate credit cards has been identified at various classification levels. These identified misuses primarily consist of officers mistakenly using their corporate credit card for personal transactions or instances where the use of the corporate credit card was unavoidable (i.e. in an emergency situation). When a corporate credit card is misused, line managers are notified, staff are counselled and, in some cases, the credit card may be cancelled and withdrawn from use by the staff member.
6. To prevent the misuse of corporate credit cards, ASIO staff sign a 'User Agreement' with terms and conditions of use. Staff are also provided with training on appropriate usage, and all credit cards have transaction and card limits. All transactions against corporate credit cards are approved by Line Managers.

## The Office of the Director of Public Prosecutions (CDPP)

1. As at 29 February 2012, 24 staff.

<b>CLASSIFICATION</b>	<b>QUANTITY</b>
Director	1
Executive Level 1	8
APS 6	4
APS 5	6
APS 4	3
APS 3	2
<b>TOTAL</b>	<b>24</b>

2. Appropriate action in accordance with the *Financial Management Act 1997*, *Financial Management Regulations 1997*, the Chief Executive's Instructions, CDPP's Fraud Control Plan and the CDPP Code of Conduct.
3. Individual credit card holders must retain all documentation associated with any purchase and payment to support their individual monthly statement. Monthly reviews and reconciliations of card holder's credit card statements are independently performed.
4. See (2)
5. No
6. See (3)

## High Court of Australia

1. 11 High Court of Australia staff have a corporate credit card and their classification are as follows:  
  
High Court Employee 2 – 1  
High Court Employee 4 – 3  
High Court Employee 6 – 3  
Executive level 1 – 2  
Senior Executive Staff – 1  
Public Office Holder – 1
2. The Court would follow the procedures outlined in the Court's Managing Underperformance and Misconduct policy if a corporate credit card had been misused
3. Monthly credit card statements are reviewed and authorised by the card holder's supervisor.

4. Refer response provided at part 2.
5. None
6. There are a number of strategies used by the Court to prevent corporate credit card misuse including:
  - all cardholders are required to sign a credit cardholder statement of responsibility at the time they are issued with the credit card;
  - all new employees attend an induction day which includes a segment on the Court's values and code of conduct;
  - Staff attend code of conduct refresher training; and.
  - Monthly credit card statements are reviewed and authorised by the card holder's supervisor.

### **Australian Federal Police**

1. The AFP currently has 5,785 corporate credit cards issued.

<b>Band Level</b>	<b>Number of cards issued</b>
AFP Band 1	1
AFP Band 2	397
AFP Band 3	1,261
AFP Band 4	1,277
AFP Band 5	964
AFP Band 6	467
AFP Band 7	773
AFP Band 8	230
AFP Band 9	301
SES	82
Casual	2
Special Member, Seconded and Contractors	30
<b>Total</b>	<b>5,785</b>

2. A complaint is raised and action taken as detailed in the response to question 4 below. The AFP's legislative and governance framework provide very clear direction on the requirements for AFP appointees in relation to the use of AFP corporate credit cards.

3. All card transactions are recorded in the AFP online expense management system - Spend vision. Cardholders are required to acquit all expenditure via Spend vision and cardholder supervisors are required to approve all expenditure via Spend vision. Cardholder monthly statements and acquittal documentation is held centrally by the shared services centre.
4. The AFP is committed to its members behaving at all times in a manner that upholds the AFP's core values and the organisation's reputation and integrity. The AFP has a strong integrity framework that includes effective prevention strategies and a robust professional standards framework. This framework is directed by Part V of the *Australian Federal Police Act 1979* (the Act) and further supported by specific AFP governance. Part V of the Act provides for sanctions such as training and development, remedial action or termination of employment.

Where misuse of a corporate credit card by an AFP member is detected, the misuse is reported to the AFP's professional standards area. Misuse may be as a result of a mistake or misunderstanding. If misuse is determined to be misconduct it will be dealt with under Part V of the AFP Act 1979. If the misconduct is determined to be serious or criminal, the complaint will be subject to investigation by Professional Standards investigators and, if established, sanctions under Part V can be applied or addressed through a criminal prosecution. Where the misconduct is determined not to be serious, the matter will be referred to the relevant management team to be addressed managerially.

5. No instances of fraudulent (criminal) misuse were discovered during the nominated period being 1 July 2011 to 29 February 2012.

One matter from the 2009/2010 financial year is before the courts in Brisbane. The member concerned is at AFP Band 5 level.

6. The Commissioner's Financial Instructions and National Guideline on Corporate Credit Cards outline the AFP's policy on the use of corporate credit cards. In addition to this the following controls are in place to prevent credit card misuse:
  - when obtaining a corporate credit card, cardholders are required to acknowledge their responsibilities over the use of the card
  - there are transaction limits on each transaction
  - there are monthly limits on the value of transactions
  - the credit card must be approved by a delegate.