

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

Portfolio

Question No. 122

Senator Humphries asked the following question at the hearing on 12 February 2013:

Credit Cards

- 1) Provide a breakdown for each employment classification that has a corporate credit card.
- 2) Please update if there have been any changes since Supplementary Budget Estimates 2012-13 (October 2012):
 - 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?
List staff classification and what the misuse was, and the action taken.
 - e) What action is taken to prevent corporate credit card misuse?

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

Attorney-General's Department

- 1) There are 593 cards on issue across the Department. All employees can apply for a credit card from APS1 to Secretary.
- 2)
 - a-e) No Changes since Supplementary Budget Estimates 2012-13 (October 2012)
 - d) nil

Administrative Appeals Tribunal

- 1) There are 22 cards on issue across the Tribunal.

SES1 x 1
EL2 x 5
EL1 x 5
APS6 x 4
APS5 x 3
APS4 x 3

The Registrar also has a corporate credit card.

- 2)
 - a) 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.
 - b) 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 to verify that all transactions are documented correctly and are for official purposes only.

- c) 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.
- d) No.
- e) 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 for compliance and acceptable usage.

Australian Commission for Law Enforcement Integrity

- 1) There were 22 credit card holders at 31 January 2013

SES1 x 2

EL2 x 6

EL1 x 7

APS6 x 1

APS5 x 3

APS4 x 2

The Integrity Commissioner also has a corporate credit card.

- 2)
 - a) The Australian Commission for Law Enforcement Integrity (ACLEI) would investigate any suspected misuse of credit cards in accordance with the Commonwealth Fraud Control Guidelines and the agency's Chief Executive Instructions.
 - b) 100% of transaction receipts are retained and reconciled against monthly credit card statements. This process requires each transaction to be certified by the cardholder and approved by a delegate, usually the cardholder's manager. All transactions and monthly statements are checked by agency finance staff.
 - c) See response to part a).
 - d) No.
 - e) ACLEI has established several internal controls to detect and prevent credit card misuse:
 - monthly reconciliations, as described at b);
 - annual accountability training for all staff;
 - upon issue, cardholders are required to sign an *Acknowledgement of Responsibilities* declaration regarding the rules of use of the corporate credit card;
 - the issue of all corporate credit cards is based on stated business needs and approved centrally by the Director Corporate Services; and
 - The ANAO performs an annual audit of financial transactions. This audit includes random checking of credit card transactions and controls.

Australian Crime Commission

1) There were 87 credit card holders at 31 January 2013

CEO x 1
SES L2 x 3
SES L1 x 11
Exec L2 x 27
Exec L1 x 25
APS6 x 2
APS5 x 9
APS4 x 5
APS3 x 2
Standard Seconded – 2

2)

a)-e) No changes since Supplementary Budget Estimates 2012-13 (October 2012)

Australian Customs and Border Protection Service

1) There were 1 160 credit card holders at 31 January 2013

SES4 x 1
SES3 x 2
SES2 x 10
SES1 x 36
Customs Officer 5 (EL2) x 153
Customs Officer 4 (EL1) x 241
Customs Officer 3 (APS6) x 311
Customs Officer 2 (APS5) x 315
Customs Officer 1 (APS4) x 91

2)

a)-e) No changes since Supplementary Budget Estimates 2012-13 (October 2012)

Australian Federal Police

1) There were 5 710 credit card holders at 31 January 2013

SES x 82
AFP9 x 272
AFP8 x 228
AFP7 x 803
AFP6 x 451
AFP5 x 993
AFP4 x 1 302
AFP3 x 1 228
AFP2 x 350
AFP1 x 1

2)

a), b), c), e) No changes since Supplementary Budget Estimates 2012-13 (October 2012)

d) No

Australian Government Solicitor

The Australian Government Solicitor (AGS) is a government business enterprise operating on a commercial and competitive basis in providing legal and related services to government and its agencies. AGS does not receive any Budget or other appropriations and its employees are engaged outside of the *Public Service Act 1999*. The question is therefore not applicable to AGS.

Australian Human Rights Commission

- 1) SES2 x 1
EL2 x 1
A/g EL2 x 1
EL1 x 3
APS6 x 1
APS5 x 2
APS4 x 3
APS3 x 1

5 x Statutory Office Holders and Head of Agency

2)

a)-e) No changes since Supplementary Budget Estimates 2012-13 (October 2012)

Australian Institute of Criminology

- 1) EL2 x 1
APS6 x 1
APS5 x 1
APS4 x 1
APS3 x 1

In addition all staff have been issued with a Diners Club card under the current travel arrangements as required by the Department of Finance. These diners club cards are tightly regulated, being kept in the safe when not in use, and signed in and out as required, also staff can only make purchases on these cards related to travel.

2)

a)-e) No changes since Supplementary Budget Estimates 2012-13 (October 2012)

Australian Law Reform Commission

- 1) SES3 x 1
SES1 x 1
EL1 x 1

2)

a)-e) No changes since Supplementary Budget Estimates 2012-13 (October 2012)

Australian Security Intelligence Organisation

- 1) The information sought is not readily available in ASIO's records. The resources required to collate this information are considered an unreasonable diversion of resources.

2)

a)-e) No changes since Supplementary Budget Estimates 2012-13 (October 2012)

AUSTRAC

- 1) There were 41 credit card holders at 31 January 2013
 - CEO x 1
 - SES2 x 2
 - SES1 x 9
 - Exec2 x 14
 - Exec1 x 7
 - APS6 x 6
 - APS5 x 2
- 2)
 - a) The Chief Finance Officer (CFO) is advised and cardholder is contacted for reimbursement, the staff member is counselled and the funds are fully recovered. Where credit card misuse is considered intentional, the Agency Security Advisor is informed and code of conduct action may be initiated.
 - b) Monthly statements are reviewed by each cardholder's Director and also Finance staff. Cardholders are required to fully acquit all expenditure on a monthly basis.
 - c) The CFO is advised and cardholder is contacted for reimbursement, the staff member is counselled and the funds are fully recovered. Where credit card misuse is considered intentional, the agency security advisor is informed and code of conduct action may be initiated.
 - d) No known instances.
 - e) Cardholders sign an acknowledgement upon collection of the card 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.

CrimTrac

- 1) There were 96 credit card holders at 31 January 2013
 - CEO x 1
 - SES1 x 2
 - EL2 x 20
 - EL1 x 35
 - APS 6 x 18
 - APS 5 x 9
 - APS 4 x 9
 - APS 3 x 2
- 2)
 - a)-e) No changes since Supplementary Budget Estimates 2012-13 (October 2012)

Family Court of Australia

- 1) There were 40 credit card holders at 31 January 2013
 - CEO x 1
 - SES2 x 2
 - SES1 x 3
 - EL2 x 6
 - EL1 x 8
 - APS 6 x 2

APS 5 x 3
APS 4 x 6
APS 3 x 9

2)

a)-e) No changes since Supplementary Budget Estimates 2012-13 (October 2012)

Federal Court of Australia

1) There were 40 credit card holders at 31 January 2013

SES1 x 3
EL2 x 6
EL1 x 12
APS 6 x 9
APS 5 x 11
APS 4 x 12
APS 3 x 1

2)

a)-e) No changes since Supplementary Budget Estimates 2012-13 (October 2012)

Federal Magistrates Court of Australia

1) There were 9 credit card holders at 31 January 2013

SES1 x 2
EL2 x 1
EL1 x 1
APS 3 x 5

2)

a)-e) No changes since Supplementary Budget Estimates 2012-13 (October 2012)

High Court of Australia

1) There were 13 credit card holders at 31 January 2013

Public Office Holder x 1
SES x 1
EL2 x 1
EL1 x 2
High Court Employee6 x 3
High Court Employee5 x 2
High Court Employee4 x 2
High Court Employee2 x 1

2)

a), b), c), e) No changes since Supplementary Budget Estimates 2012-13 (October 2012)

d) Nil.

Insolvency and Trustee Service Australia (ITSA)

1) There were 21 credit card holders at 31 January 2013

SES x 4
EL2 x 1

EL1 x 6
APS 6 x 4
APS 5 x 4
APS 3 x 2

2)

a)-e) No changes since Supplementary Budget Estimates 2012-13 (October 2012)

National Native Tribunal

The NNTT will not be providing a response to this question, as from 1 July 2012 the National Native Title Tribunal is no longer a *Financial Management and Accountability Act 1997* Agency, and is funded to carry out its functions as a sub-program of the Federal Court of Australia's appropriation.

Office of the Australian Information Commissioner

1) There were 6 credit card holders at 31 January 2013

SES1 x 1
EL2 x 1
APS 6 x 1
APS 5 x 3

2)

a)-e) No changes since Supplementary Budget Estimates 2012-13 (October 2012)

Office of the Commonwealth Director of Public Prosecutions

1) There were 24 credit card holders at 31 January 2013

Director x 1
EL2 x 1
EL1 x 7
APS 6 x 5
APS 4 x 3
APS 3 x 2

2)

- a) Appropriate action in accordance with the Financial Management Accountability Act 1997, Financial Management Regulations 1997, the CDPP Chief Executive Instructions, CDPP Fraud Control Plan and the Guidelines on Official Conduct for all CDPP staff.
- b) 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 holders' credit card statements are independently performed.
- c) See (a)
- d) No
- e) See (a) and (b)

Office of Parliamentary Counsel

1) 4 positions are issued with corporate credit cards—First Parliamentary Counsel (Agency Head), Principal Legislative Counsel (SES Band 2), General Manager and CFO (SES Band 1), and General Manager Publishing (SES Band 1).

- 2)
- a) 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.
 - b) Corporate credit card use is monitored by the Director Finance.
 - c) 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.
 - d) No
 - e) 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 Director Finance 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 undergo the same approval processes as other procurements; and
 - Cardholders cannot withdraw cash from the card or use the card for private expenditure.