POLICY 5.05

Finance and Internal Controls

Credit Cards

Version: 1 **| Next Review:** March 2028

DISTRICT COUNCIL of TUMBY BAY

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1. INTRODUCTION

The purpose of this Credit Card Policy is to provide guidance on how the District Council of Tumby Bay's corporate credit cards are to be allocated, used and administered to ensure that the credit cards assist Council in the delivery of Council's services while minimising the potential for misuse and fraud.

2. POLICY OBJECTIVE

2.1 This policy applies to the Mayor and all employees who have the delegated authority to use a corporate credit card.

2.2 The use of corporate credit cards is not prescribed by legislation, however, this Policy is to be read in conjunction with section 125 and 137 of the *Local Government Act 1999* to control purchasing and the expenditure of Council funds.

3 CREDIT CARD HOLDERS & LIMITS

3.1 The business limit for corporate credit cards is $35,000. Council authorises the following members and employees to use corporate credit cards for Council business only:

Credit Card Holder	Credit Card Limit
Mayor	$5,000
Chief Executive Officer	$5,000
Deputy Chief Executive Officer	$5,000
General Manager Works & Infrastructure	$5,000
General Manager Environmental Services	$5,000
Executive Assistant	$5,000
Works Supervisor	$5,000

3.2 Corporate Credit Cards shall be used exclusively for the payment of Council related expenditure only, with such purchases made in adherence to Council's Procurement Policy.

3.3 It is expected that credit cards shall primarily be used for (but not limited to) the payment of accommodation, meals and travel expenses.

4 CREDIT CARD PRINCIPLES

4.1 Credit card holders must have regard to the following principles when using the credit card:

4.2 The benefit (real or perceived) gained by the public from the expenditure,

4.3 The business purchase of the expenditure is clearly necessary for the carrying out of Council's operational functions.

4.4 The transaction is publicly defendable, meeting the public's expectations of councils when using ratepayer funds,

4.5 The appropriateness of the amount of the expenditure, that the transaction is compliant with relevant policies and is within financial delegations,

4.6 Merits of an alternative method of payment,

4.7 The transaction is clearly documented, explaining the nature of the expense.

5 CREDIT CARD EXPENDITURE AUTHORISATION & APPROVAL

5.1 Authorisation and approval for credit card expenditure applies as follows:

(a) The Mayor and Chief Executive Officer credit card expenditure is reviewed and authorised for payment by the Deputy Chief Executive Officer.

(b) The Deputy Chief Executive Officer credit card expenditure is reviewed and authorised for payment by the Chief Executive Officer.

(c) All other credit card expenditure is reviewed and authorised for payment by the Deputy Chief Executive Officer.

5.2 The credit card expenditure reconciliation of expenses and credit card statement of the Mayor and Chief Executive Officer is to be presented to the Audit & Risk Committee on an annual basis for the review of the credit card usage.

6 RESPONSIBILITIES OF CREDIT CARD HOLDERS & APPROVERS

6.1 Prior to the issue of a credit card, members and employees are required to sign a Credit Card Declaration form confirming compliance with Council policy and procedures.

6.2 Prior to using the credit card for a transaction, the Credit Card Holder will consider the appropriateness of the expenditure and ensure it is justified as a genuine business expense.

6.3 Credit Card Holders have a responsibility to ensure that their usage of the credit card complies with all relevant policies (e.g. Procurement Policy), the conditions for use of the card and the financial delegations that have been made.

6.4 When using the credit card, Credit Card Holders must ensure that the transaction substantiation and narration clearly identifies the business purpose of the transaction having regard to the credit card principles.

6.5 Approvers must ensure the transaction substantiation and narration has sufficient information to have confidence that the transaction is appropriate and meets the principles of transparency and accountability before they approve the transaction, having regard to the credit card principles.

7 TRANSACTIONS, TERMS & CONDITIONS OF USE

7.1 Credit cards are to be used for ad hoc purchases. If possible, it is recommended that any purchases above $2,000 should use an alternative form of payment.

7.2 Cash advances are strictly prohibited.

7.3 Personal expenses of any kind are not to be incurred on the corporate credit card.

7.4 If by unintentional causes, personal expenses are incurred, the Credit Card holder:

a) is liable and will need to reimburse Council for those transactions, and

b) the Credit Card holder must report this personal expense to the Mayor or Chief Executive Officer (as relevant) as soon as identified.

7.5 Credit cards are not to be linked to any form of loyalty points or rewards program.

7.6 All transactions are to be verified and supported with a taxation receipt/invoice on completion. If a tax invoice is not available or is misplaced, attempts should be made to request a tax invoice from the merchant/vendor, however if not available, a signed declaration outlining the details of the purchase and circumstances around the lack of supporting evidence is to be provided.

7.7 An EFTPOS receipt is not a preferred form of verification, however if a tax invoice/receipt is not available an EFTPOS receipt can be used as part of the evidence attached to a signed declaration.

7.8 The supporting documentation is required for statement verification, transaction audits and to confirm input tax credits accumulated by Council for Goods and Services Tax reporting.

7.9 Declaration is required to be made which states that the Credit Card Holder/Approver has complied with their responsibilities in line with this Policy and that transactions relate to business purposes.

7.10 Under no circumstances are credit cards to be used to purchase software, without first consulting the Chief Executive Officer.

7.11 The Chief Executive Officer, and in the case of the Chief Executive Officer, the Council, reserves the right to request a Credit Card Holder to forfeit their credit card at any time.

7.12 A Credit Card Holder found to have used a credit card in contravention of the terms and conditions of use as prescribed by the Credit Card Provider, or those stated in this policy, may be subject to disciplinary action.

7.13 As part of the monthly reconciliation, the Credit Card Holder is required to reconcile the transaction expenses by coding them to the relevant general ledger account with the matching taxation receipts/invoices.

7.14 The Approver must verify each coded transaction expense and take into consideration the appropriateness of each transaction, to ensure it is in line with Council's relevant policies and justified as a genuine business expense before approving.

7.15 An expense not adequately justified will need to be repaid to Council by the Credit Card Holder

7.16 Reconciliation of credit card transactions will be undertaken as soon as possible at end of each month to allow for payment by the due date.

8 DISPUTED OR UNVERIFIED TRANSACTION

Should the Credit Card Holder identify an unverified transaction on the credit card statement (e.g. a duplicate transaction, amount discrepancies by merchants or vendors, unknown or fraudulent charges) the Credit Card Holder must:

8.1 report this to the Chief Executive Officer (or Mayor, if the Chief Executive Officer is the Credit Card Holder) as soon as practicable,

8.2 initially follow up or dispute the transactions with the Merchant or Vendor, where possible, and

8.3 report this to the Deputy Chief Executive Officer and if after checking with the Merchant or Vendor the matter is still in dispute, raise the matter with the Credit Card Provider.

9 LOST, STOLEN OR REPLACEMENT CARDS

It is the responsibility of the Credit Card Holder to resolve issues relating to lost, stolen or replacement cards and immediately report this to the Credit Card Provider.

Lost or stolen credit cards must be reported to the Chief Executive Officer or Deputy Chief Executive Officer immediately and reported to the Credit Card provider.

10 POLICY REVIEW

This Policy will be reviewed every two (2) years. The Council has the right to review this policy at any time, if considered desirable.

11 AVAILABILITY OF POLICY

This Policy will be available for inspection at the Council's Office during ordinary business hours and via the Council's website, www.tumbybay.sa.gov.au. Copies will also be provided to the public upon request and upon payment of a fee in accordance with the Council's Schedule of Fees and Charges.

12 FURTHER INFORMATION

File reference	R26/9687
Responsibility	Deputy Chief Executive Officer
Version	1
Effective date	30/06/2026
Last revised date	N/A
Minutes reference	6c/62026
Next review date	March 2028
Applicable Legislation	*Local Government Act 1999* *Local Government (Financial Management) Regulations 2011*
Related Policies	Policy 5.18 – Procurement Policy 5.31 – Internal Controls
Related Procedures	Internal Control Procedures

AUTHORITY: Adopted by Council: 30/06/2026 {Motion 6c/62026}

SIGNED: .....

Responsible Officer