

Senate Community Affairs Legislation Committee

SUPPLEMENTARY BUDGET ESTIMATES – 20 OCTOBER 2016 ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Credit/Transaction Cards

Question reference number: 13 (HS 13)

Senator: Gallacher

Type of question: Written

Date set by the committee for the return of answer: 2 December 2016

Number of pages: 3

Question:

- a) What types of credit and transaction cards (including Cabcharge Fastcard and eTickets) does your department issue?
- b) What was the total expenditure for each type of card over the last 3 financial years?
- c) Can you break down the expenditure into categories?
- d) What is the highest and lowest credit limit for each type of card?
- e) How many times in the last 5 years has the credit limit been reviewed?
- f) What are Credit Cards used for?
- g) What are the Governance/probity rules for employees to follow?
- h) Are cash advances allowed?
 - i) Can you list the total amount of cash advances from credit and other transaction cards over the last 3 years?
 - ii) Can you provide details on the 10 largest cash advances in your department and provide particulars such as how much was accessed?
 - iii) Who approves cash advances in your department in the event of paying suppliers
- i) Who reviews transactions in regards to all cards?
- j) Who provides assurance to the Minister in respect to probity governance and fraud control?

Answer:

- a) The department uses the following types of credit and transaction cards:
 - i) Corporate credit cards for low value departmental items and to make income management payments on behalf of customers,
 - ii) Cabcharge Fastcards, and
 - iii) Cabcharge eTickets.

- b) The total expenditure for each type of credit and transaction card is outlined in the below table. Please note that the department does not distinguish between taxi travel paid by Fastcard and eTicket.

Card type	2015-16 (\$ million)	2014-15 (\$ million)	2013-14 (\$ million)
Corporate credit card	\$20.72	\$27.16	\$27.27
Cabcharge Fastcards and eTickets	\$2.68	\$2.75	\$2.22
Total	\$23.40	\$29.91	\$29.49

- c) Credit and transaction card expenditure is categorised as follows:

Card type	Category	2015-16 (\$ million)	2014-15 (\$ million)	2013-14 (\$ million)
Corporate Credit card	Income management payments on behalf of customers.	\$9.08	\$14.02	\$16.79
	Departmental purchases	\$11.64	\$13.14	\$10.48
Cabcharge Fastcards and eTickets	Business related taxi travel.	\$2.68	\$2.75	\$2.22
Total	N/A	\$23.40	\$29.91	\$29.49

It would be an unreasonable diversion of resources for the department to further break down corporate credit card and Cabcharge expenditure in categories.

- d) Cabcharge Fastcards limits are controlled through spending delegations given to officials. Departmental officials are authorised to approve taxi expenditure below \$250. The highest and lowest limit for corporate credit cards is as follows.

Card type	Highest limit	Lowest limit
Corporate credit card	\$30,000	\$250

- e) The number of times the limit of each card type has been reviewed in the last five years is as follows:

Card type	Number of times limits were reviewed in the last five years
Corporate credit card	Five times. Corporate credit card limits are reviewed annually.
Cabcharge Fastcards and eTickets	Not applicable. Cabcharge Fastcards limits are controlled through spending delegations given to officials.

- f) The corporate credit card is the preferred payment method to suppliers when the arrangement is valued under \$10,000, except where the payment is being made in relation to the following items:

- i) a multiple-payment contract;
- ii) a standing offer arrangement;
- iii) Fuel for lease vehicles;
- iv) reportable assets;
- v) ICT software;
- vi) undergraduate courses; and
- vii) commercial accommodation costs.

Cabcharge Fastcards and eTickets are used for business related taxi travel.

- g) The department has internal policies for corporate credit cards, Cabcharge Fastcards and eTickets. The policies outline requirements in relation to proper use, management and handling of cards.
- h) The department has the cash advance facility activated on a small number of corporate credit cards for the purpose of replenishing petty cash floats, paying low value customer fares and customer attendance fees for focus group events. Cash advance is not available on Cabcharge Fastcards.
- i) The total amount of cash advances from corporate credit cards for the past three financial years is as follows:

Card type	2015-16	2014-15	2013-14
Corporate credit card	\$3,029	\$11,966	\$6,421

- ii) The below table outlines the 10 highest cash advances accessed in 2015-16.

2015-16 cash advance value
\$142
\$134
\$110
\$100
\$97
\$95
\$90
\$82
\$82
\$80
Total: \$1,012

- iii) Cash advance is not used to pay suppliers.
- i) The below table outlines who reviews transactions for each card type.

Card type	Who reviews transactions
Corporate credit card	Each transaction is independently reviewed by the department's Corporate Credit Card Team and the employee's line manager.
Cabcharge Fastcards and eTickets	Each taxi trip is reviewed by the Cabcharge account manager monthly.

- j) The Secretary provides assurance to the Minister in respect to governance and fraud control.