

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

Group: Written

Program: Whole-of-Portfolio

Question: BE14/144

Senator Ludwig asked the following question at the hearing on 26-29 May 2014:

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.
 - e. What action is taken to prevent corporate credit card misuse?

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

1. The portfolio's response to this question is set out in Table 1 below. This response covers the period 7 September to 29 May 2014.
- 2a. Across the portfolio there are common standards in place to manage credit card misuse. Where a corporate credit card is misused the matter is investigated and appropriate action is taken, including possible prosecution or other administrative or civil sanctions. In addition, action is taken to recover funds and any suspected fraud is reported to the Australian Institute of Criminology.
- 2b. All purchases must be approved by an authorised officer who is senior to the credit card holder. Each agency also monitors credit card use in a number of ways including but not limited to:
 - monthly accounts/statements are reviewed by Finance Sections and Chief Financial Officers in some agencies.
 - quality assurance when approving statements
 - all receipts must be retained and reconciled
 - regular sample testing of credit card transactions to identify any personal use
 - transactions may be limited by the employee's delegations
 - discrepancies are brought to the attention of senior staff immediately
 - credit card usage is periodically reviewed by internal auditors
- 2c. Refer to response 2a.

2d. The Portfolio has not had any instances of corporate credit card misuse since Supplementary Estimates in November 2013, with the exception of the agencies listed below:

Australian Crime Commission

There has been one count of inadvertent misuse by an Executive Level 1 employee. The cardholder used their corporate credit card to pay for non-business costs.

The Chief Financial Officer was notified of the breach. The staff member was officially cautioned, counselled and asked to re-read the ACC Credit Card policy. Amounts were repaid by the staff member concerned and staff induction process updated to include appropriate use of credit cards.

Australian Security Intelligence Organisation

There were 12 instances of corporate credit card misuse since November 2013:

Level	Number of staff
APS 5	1
APS 6	4
EL1	2
EL2	2
SES	3

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).

National Archives of Australia

There has been one instance of misuse reported. An APS5 employee accidentally removed the incorrect credit card from their wallet in error and a private transaction was made.

The officer immediately informed the card administrator and the amount was repaid the next day. The card holder was reminded of their responsibilities as a credit card holder and an agency breach has been noted.

2e. The portfolio has established a number of internal controls to prevent credit card misuse. For all agencies each credit card holder is required to sign an agreement acknowledging their obligation and responsibility to use the card for proper purposes.

The following mechanisms are also in place across the portfolio to assist in the prevention of credit card misuse. Each agency has different mechanisms including but not limited to:

- Chief Executive Instructions
- Financial Instructions
- procedural guidelines
- credit card policies relating proper use of corporate credit cards.
- monthly acquittal of transactions
- employees are encouraged to report all instances of suspected fraud

- credit cards are issued with limits commensurate with staff responsibilities
- cash cannot be withdrawn from credit cards for private expenditure
- requirement to certify compliance with Financial Management and Accountability legislation
- approval by authorised offices that are not the credit card holder
- training for new credit card holders
- random audits
- sample testing of credit card transactions to identify personal use

Table 1

Department / Agency	Provide a breakdown for each employment classification that has a corporate credit card.
Attorney-General's Department	674 employees currently hold a credit card across all employment categories. To provide further detail would require an unreasonable diversion of resources.
Administrative Appeals Tribunal	Registrar x 1 SES1 x 1 EL2 x 5 EL1 x 5 APS6 x 3 APS5 x 3 APS4 x 3
Australian Crime Commission	Std Sec x 3 SES2 x 3 SES1 x 6 EL2 x 22 EL1 x 29 CEO x 1 APS6 x 5 APS5 x 7 AOS4 x 5 APS3 x 2
Australian Commission for Law Enforcement Integrity	Integrity Commissioner x 1 SES1 x 2 EL2 x 7 EL1 x 9 APS6 x 4 APS5 x 2 APS3 x 1
Australian Federal Police	SES x 83 Executive x 260 Band 8 x 220 Band 7 x 896 Band 6 x 437 Band 5 x 1052 Band 4 x 1493 Band 3 x 1240 Band 2 x 467

Department / Agency	Provide a breakdown for each employment classification that has a corporate credit card.
Australian Financial Security Authority	78 employees. To provide further detail would require an unreasonable diversion of resources.
Australian Human Rights Commission	Statutory Office Holders and Head of Agency x 8 SES2 x 1 EL2 x 2 EL1 x 3 APS6 x 1 APS5 x 2 APS3-4 x 4
Australian Institute of Criminology	EL2 x 2 APS6 x 1 APS5 x 1 APS3 x 3
Australian Law Reform Commission	President x 1 Executive Director (SES) x 1 Finance Manager (EL1) x 1
Australian Security Intelligence Organisation	ASIO officers from APS2 – SES may have a corporate credit card. For reasons of national security the breakdown of these numbers cannot be given
Australian Transaction Reports and Analysis Centre	APS5 – 1 APS6 – 2 EL1 – 6 EL2 – 31 SES1 – 8 SES2 – 2 SES3 – 1
Commonwealth Director of Public Prosecutions	32 employees. To provide further detail would require an unreasonable diversion of resources.
CrimTrac	129 employees. To provide further detail would require an unreasonable diversion of resources.
Family Court of Australia/Federal Circuit Court	CEO x 1 SES2 x 2 SES1 x 5 EL2 x 7 EL1 x 9 APS6 x 2 APS5 x 3 AP4 x 6 APS 3 x 14
Federal Court of Australia	49 employees. To provide further detail would require an unreasonable diversion of resources.
High Court of Australia	High Court Employee 2 x 1 High Court Employee 3 x 1 High Court Employee 4 x 2 High Court Employee 5 x 2 High Court Employee 6 x 2

Department / Agency	Provide a breakdown for each employment classification that has a corporate credit card.
	Executive Level 1 x 1 Executive Level 2 x 1 Senior Executive Staff x 1 Public Office Holder x 1
Office of the Australian Information Commissioner	Statutory Office Holders x 2 SES1 x 1 EL2 x 1 APS 6 x 1 APS5 x 2
Office of Parliamentary Counsel	First Parliamentary Counsel (Agency Head) x 1 Principal Legislative Counsel (SES Band 2) x 1 General Manager and CFO (SES Band 1) x 1 General Manager Publishing (SES Band 1) x 1
National Archives of Australia	Director General x 1 SES1 x 2 EL2 x 11 EL1 x 9 APS6 x 10 APS5 x 6 APS4 x 3
Australia Council for the Arts	Australia Council Chair x 1 Leadership Team members x 22
Australian Film, Television and Radio School	14 employees. To provide further detail would require an unreasonable diversion of resources.
Australian National Maritime Museum	Director x 1 EL2 x 6 EL1 x 9 APS6 x 1 APS5 x 1
Bundanon Trust	Chief Executive Officer x 1 Chief Operating Officer, x 1 Collections and Exhibitions Manager x 1
Creative Partnerships Australia	Chief Executive Officer, x 1 Executive Director Operations and Marketing x 1 Executive Director Programs and Strategy x 1
Museum of Australian Democracy/Old Parliament House	1 x Agency Head 2 x SES Band 1 5 x EL2 3 x EL1 2 x APS6 1 x APS5 1 x APS4
National Film and Sound Archive	PEO x 1 SES1 x 1 EL2 x 7 EL1 x 14 APS6 x 15

Department / Agency	Provide a breakdown for each employment classification that has a corporate credit card.
	ASP5 x 6 APS4 x 2 APS3 x 2
National Gallery of Australia	86 employees. To provide further detail would require an unreasonable diversion of resources.
National Library of Australia	Director-General x 1 SES Band 1 x 3 EL2 x 2 EL1 x 9 APS6 x 7 APS4 x 3
National Museum of Australia	16 employees. To provide further detail would require an unreasonable diversion of resources.
National Portrait Gallery of Australia	SESB1 x1 EL2 x5 EL1 x2 APS6 x2 APS5 x1 APS4 x1
Screen Australia	SES x 6 PEO x 1 EL2 x 21 EL1 x 4 Board Member x 1 APS 6 x 1