

Senate Standing Committee on Environment and Communications

Answers to Senate Estimates Questions on Notice

Supplementary Budget Estimates Hearings November 2013

Communications Portfolio

Australian Broadcasting Corporation

Question No: 150

Program No. ABC

Hansard Ref: In Writing

Topic: Credit cards

Senator Ludwig asked:

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? List staff classification and what the misuse was, and the action taken.
  - e) What action is taken to prevent corporate credit card misuse?

Answer:

1. 641 staff have an ABC procurement card. These staff comprise:

	Procurement
Staff Band 3	13
Staff Band 4	54
Staff Band 5	86
Staff Band 6	114
Staff Band 7	137
Staff Band 8	63
Staff Band 9	38
<b>Total Staff</b>	<b>505</b>
SE Band 1	35
SE Band 2	55
SE Band 3	32
SE Band 4 & AWAs	14
<b>Total Exec</b>	<b>136</b>
	<b>641</b>

Note: Eligibility for corporate procurement cards is not based on employee classification; rather it is determined based on business need.

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2.

- a. The ABC has a strict policy for the use of ABC credit cards which prohibits improper or personal use of the cards. Usage is monitored and instances of non-business use are investigated. The policy provides that where an employee inadvertently uses a card for personal use, the employee will be counselled and they will reimburse the ABC. More serious breaches of the policy, or any continued case of misuse is referred to internal audit for investigation.

Internal audit assess all reports and determine whether an investigation is warranted. The assessment includes considering whether the issue meets the reporting threshold for investigation by the Australian Federal Police (AFP). Employees found to have committed fraud may face disciplinary procedures under the ABC's relevant employment agreements and/ or Policies.

- b. All ABC procurement cards are required to be acquitted at the end of each month. All purchases are to be approved by an independent delegate and expenditure is required to be supported by receipts. Card use is then centrally monitored by Finance and if a cardholder does not comply with the acquittal deadlines, the card may be suspended.

Internal audit undertakes continuous monitoring of ABC procurement card transactions using Computer Assisted Audit Techniques. This identifies unusual transactions for further detailed review which involves the verification of a sample of transactions and supporting documentation (such as receipts) and testing for compliance with applicable ABC policies.

- c. Refer to answers (a) and (b), above.
- d. Inadvertent/minor improper use is not recorded, and there have been no such cases where the ABC has not been reimbursed for minor/inadvertent use. There have been no cases of credit card misuse investigated by Internal Audit in the financial year to date.
- e. Card holders are required to acknowledge the procurement card policy before a card is issued. The policy and procedure is reviewed from time to time and cardholders are advised of any changes to the policy