

**Economics Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
Industry, Innovation, Science, Research and Tertiary Education Portfolio  
Additional Estimates Hearing 2012-13  
13 February 2013

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**DEPARTMENT:** DEPARTMENT OF INDUSTRY, INNOVATION, SCIENCE, RESEARCH AND TERTIARY EDUACTION

**TOPIC:** Credit Cards

**REFERENCE:** Written Question – Senator Bushby

**QUESTION No.:** AI-146

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 been discovered? If yes, list staff classification and what the misuse was, and the action taken.
  - e) What action is taken to prevent corporate credit card misuse?

**ANSWER**

**DEPARTMENT OF INDUSTRY, INNOVATION, SCIENCE, RESEARCH AND TERTIARY EDUCATION**

1. The Department had 2,416 corporate credit cards as at 31 January 2013. The breakdown of staff with credit cards by classification is as follows: Senior Executive Service (including the Departmental Secretary) – 94; Executive Level – 1,197; and Australian Public Service Officers – 1,125.
2. a), b), c) and e) – Please refer to AI-250.
  - d) Please refer to SI-184 for information on misuse of credit cards for the period 1 March to 31 October 2012. There were seven instances of misuse for the period 1 November 2012 to 31 January 2013, as a result of the accidental use of the corporate credit card for personal expenditure. Officials are reminded of their obligations when using the Commonwealth credit card and debt recovery action is undertaken. The break down by staff classification is: Executive Level 4 instances, Australian Public Service Officers 3 instances.

**AUSTRALIAN INSTITUTE OF ABORIGINAL AND TORRES STRAIT ISLANDER STUDIES (AIATSIS)**

1. AIATSIS had 26 corporate credit cards as at 31 January 2013. The breakdown of staff with credit cards by classification is as follows: Principal Executive Officer - 1; Senior Executive Service – 3; Executive Level 2 - 7; Executive Level 1 - 8; and Australian Public Service Officers - 7.
2. a), b), c) and e) – Please refer to AI-250.

- d) One staff member (EL2) inadvertently used their corporate credit card to make a personal purchase. The expenditure has been recovered and the incident was recorded on the Breaches Register as a technical breach.

#### **AUSTRALIAN NUCLEAR SCIENCE AND TECHNOLOGY ORGANISATION (ANSTO)**

1. ANSTO had 223 corporate credit cards as at 31 January 2013. The breakdown of staff with credit cards by classification is as follows: Chief Executive Officer - 1; ANSTO Executive Team - 13; and general ANSTO staff - 209.
2. a), b), c) and e) – Please refer to AI-250.
  - d) No misuse of corporate credit cards has been discovered.

#### **AUSTRALIAN INSTITUTE OF MARINE SCIENCE (AIMS)**

1. AIMS had 109 credit cards as at 31 January 2013. The breakdown of staff with credit cards by classification is as follows: Chief Executive Officer - 1; Chair of Board - 1; AIMS Officer Level (AOL)7-8 - 23; AOL 5-6 - 43; and AOL 3-4 - 41.
2. a), b), c) and e) – Please refer to AI-250.
  - d) There have been eight instances of accidental corporate credit card misuse for the period 1 November 2012 to 31 January 2013, which related to the accidental use of the corporate credit card for personal expenditure by AIMS staff members consisting of: 4 Level 7's; 1 Level 6; and 3 Level 4's. The amounts were immediately reimbursed and no further action was taken.
  - e) AIMS has undertaken steps to raise staff awareness.

#### **AUSTRALIAN RESEARCH COUNCIL (ARC)**

1. The ARC had 46 credit cards as at 31 January 2013. The breakdown of staff with credit cards by classification is as follows: Chief Executive Officer - 1; Senior Executive Service - 8; Executive Level - 16; and Australian Public Service - 21.
2. a), b), c) and e) – Please refer to AI-250.
  - d) No misuse of corporate credit cards has been discovered.

#### **COMMONWEALTH SCIENTIFIC AND INDUSTRIAL RESEARCH ORGANISATION (CSIRO)**

1. CSIRO had 4,989 credit cards as at 31 January 2013. The breakdown of staff with credit cards by classification is as follows:

<b>Classification Level</b>	<b>Number of credit cards</b>
Contractor	7
CSOF1	1
CSOF2	82
CSOF3	692
CSOF4	1,140
CSOF5	964
CSOF6	961
CSOF7	618
CSOF8	424
CSOF9	40
Hon. Fellow	17
Hon. Officer	2
Joint Venture	2
Miscellaneous Staff	8
Post Retirement Fellow	6
Student PhD	4
Student Post Graduate	6
Visiting Scientist	15
<b>Grand Total</b>	<b>4,989</b>

2. a) – Please refer to AI-250.

b) All credit card expenses must be reviewed and endorsed by the cardholder’s supervisor. In addition, project leaders regularly review expenses coded to projects to ensure transactions are legitimate. Finance officers conduct periodic audits on credit card expenses including as part of a quarterly compliance process. CAC officers are required to also provide assurance on credit card use within their area of responsibility.

c) Please refer to AI-250.

d) As part of CSIRO’s tri-annual compliance process and a CSIRO Internal Audit review of credit card activity, CSIRO operating units reported 52 instances of transactions relating to the personal, non-CSIRO use of a CSIRO-issued credit card by the cardholder, however 49 transactions were subsequently fully reimbursed. The remaining three transactions relate to one cardholder (a technical services officer) and the card has been suspended pending further investigation.

These 49 transactions related to 34 cardholders:

- CSOF 2 (1)
- CSOF 3 (3)
- CSOF 4 (12)
- CSOF 5 (1)
- CSOF 6 (9)
- CSOF 7 (18)
- CSOF 8 (4)

- CSOF 9 (1)

e) Please refer to BI-204.

### **AUSTRALIAN SKILLS QUALITY AUTHORITY (ASQA)**

1. ASQA had 128 credit cards, of which 104 were travel-only cards, as at 13 February 2013. The breakdown of staff with credit cards by classification is as follows: Commissioners - 4; Senior Executive Service - 2; Executive Level - 74; and Australian Public Service - 48.
2. a), (b) and (c) - Please refer to BI-204.  
  
d) No misuse of corporate credit cards has been discovered.  
  
e) Please refer to BI-204.

### **IP AUSTRALIA**

1. IP Australia had 540 credit cards as at 31 January 2013. The breakdown of staff with credit cards by classification is as follows: Senior Executive Service - 8; Executive Level - 196; and APS Level - 336.
2. a), b), c), d) and e) - Please refer to AI-250.  
  
d) There were two instances of corporate credit card misuse for the period 1 November 2012 to 31 January 2013, which related to the accidental use of the corporate credit card for personal expenditure. Officials were reminded of their obligations when using a corporate credit card and debt recovery action was undertaken. The staff classification level was Executive Level for the 2 instances.

### **TERTIARY EDUCATION QUALITY AND STANDARDS AGENCY (TEQSA)**

1. TEQSA had 60 corporate credit cards as at 31 January 2013. The breakdown of staff with corporate credit cards by classification is as follows: Public Office Holder - 5 Senior Executive Service - 3; Executive Level - 35; and APS Level - 17.
2. a), b) and c) – Please refer to BI-204.  
  
d) No misuse of corporate credit cards has been discovered.  
  
e) New corporate credit cards are issued based on business need and new card holders are required to sign a Personal Responsibility form for the use of the TEQSA Corporate Card. This is to ensure that the corporate credit card holders are aware of their responsibilities. All credit card transactions must be acquitted. This requires approval by a supervisor with an appropriate delegation limit and checking at the transaction level by the finance team.