

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation, Science, Research and Tertiary Education Portfolio
Budget Estimates Hearing 2012-13
28 and 29 May 2012

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY, INNOVATION, SCIENCE, RESEARCH AND TERTIARY EDUCATION

TOPIC: Credit Cards

REFERENCE: Written Question – Senator Bushby

QUESTION No.: BI-204

1. Provide a breakdown for each employment classification that has a corporate credit card.
2. Please update if there have been any changes since Additional Estimates 2011-12 (February 2012):
 - 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.
3. What action is taken to prevent corporate credit card misuse?

ANSWER

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

1. The department had 2,441 corporate credit cards as at 31 May 2012. The breakdown of staff with credit cards by classification is as follows: Senior Executive Service (including the departmental Secretary) 93, Executive Level 1,186 and Australian Public Service Officers 1,162.
2. a), b) and c) No changes to response provided to AI-250.
 - d) Instances of credit card misuse for the period 1 March to 31 May 2012 will not be available until mid July 2012.
3. Please refer to response provided to AI-250.

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

1. Please refer to response provided to AI-250 for detailed breakdown of staff. There was no change for 1 March to 31 May 2012.
2. a), b), c) and d) No change to response provided to AI-250.
3. Please refer to response provided to AI-250.

AUSTRALIAN INSTITUTE OF MARINE SCIENCE (AIMS)

1. AIMS had 110 credit cards as at 31 May 2012. The breakdown of staff with credit cards by classification is as follows: Chief Executive Officer (CEO): 1; Chair of Board: 1; Senior Contractor: 1; AIMS Officer Level (AOL) 7-8: 23; AOL 5-6: 42; and AOL 3-4: 42.
2. a), b), c) and d) No change to response provided to AI-250.
3. Please refer to response provided to AI-250.

AUSTRALIAN NUCLEAR SCIENCE AND TECHNOLOGY ORGANISATION (ANSTO)

1. ANSTO had 204 credit cards as at 31 May 2012. The breakdown of staff with credit cards by classification is as follows: Chief Executive Officer: 1; ANSTO Executive Team: 12; and general ANSTO staff: 191.
2. a), b), c) and d) No change to response provided to AI-250.
3. Please refer to response provided to AI-250.

AUSTRALIAN RESEARCH COUNCIL (ARC)

1. ARC had 53 credit cards as at 31 May 2012. The breakdown of staff with credit cards by classification is as follows: Chief Executive Officer: 1; Senior Executive Service: 5; Executive Level: 31; and Australian Public Service: 16.
2. a), b), c) and d) No changes to response provided to AI-250.
3. Please refer to response provided to AI-250.

COMMONWEALTH SCIENTIFIC AND INDUSTRIAL RESEARCH ORGANISATION (CSIRO)

1. CSIRO had 4990 credit cards as at 31 May 2012. The breakdown of staff with credit cards by classification is as follows:

Classification	Number of credit cards
CSOF1	1
CSOF2	77
CSOF3	711
CSOF4	1130
CSOF5	963
CSOF6	909
CSOF7	627
CSOF8	407
CSOF9	44
Committee Member	1
Contractor	7
Honorary Fellow	22
Post Retire Fellow	3
Fellow Res	2
Honorary Officer	8

Miscellaneous Staff	5
Student PHD	5
Student Post Graduate	6
Joint Venture	45
Visiting Scientist	17
Total	4990

2. a), b), c) and d) No change to response provided to AI-250.
3. Please refer to response provided to AI-250.

IP AUSTRALIA

1. IP Australia had 511 credit cards as at 31 May 2012. The breakdown of staff with credit cards by classification is as follows: Senior Executive Service: 8; Executive Level: 198; and APS Level: 305.
2. a), b), c) and d) No change to response provided to AI-250.
3. Please refer to response provided to AI-250.

AUSTRALIAN SKILLS QUALITY AUTHORITY

1. ASQA had 76 credit cards as at 31 May 2012. The breakdown of staff with credit cards by classification is as follows:

CLASSIFICATION	NUMBER OF CARDHOLDERS
Commissioners	5
SES Band 1	2
EL 2	17
EL 1	27
APS 6	16
APS 5	7
APS 4	1
APS 3	1
TOTAL	76

2.
 - a) If misuse of a corporate credit card is discovered by the delegate or credit card administrators the delegate will discuss the misuse with the card holder. If the misuse is deemed inadvertent the unauthorised amount will be deducted from the employee's salary unless the Chief Finance Officer, Financial Controller, or HR Manager approve alternative repayment arrangements. If there is any suspicion the misuse was fraudulent ASQA will take action in accordance with the agency's Fraud policy.
 - b) Corporate credit card use is monitored by respective delegates and the credit card administrators. Corporate credit card holders provide all reconciled corporate credit card documentation to their delegate for review monthly. If the delegate is satisfied that the expenses are reasonable and for official purposes, they approve the statement for payment and all documentation of forwarded to the credit card administrators for review and archiving.

- c) If misuse of a corporate credit card is discovered by the delegate or credit card administrators the delegate will discuss the misuse with the card holder. If the misuse is deemed inadvertent the unauthorised amount will be deducted from the employee's salary unless the Chief Finance Officer, Financial Controller, or HR Manager approve alternative repayment arrangements. If there is any suspicion the misuse was fraudulent ASQA will take action in accordance with the agency's Fraud policy.
 - d) Yes, there has been one instance, between the dates of 1 July 2011 and 31 May 2012, when a corporate credit card was used inappropriately. The mistake was immediately recognised and remedial action was taken by the officer.
3. To assist in the prevention of corporate credit card misuse both the cardholder and delegate are responsible and accountable for all transactions charged to the corporate credit card. All ASQA employees must ensure:
- that all claims for expenses are publicly defensible;
 - maximum value and reasonable cost to the Commonwealth; and
 - no personal expense, monetary gain or other type of benefit to the employee.

Section 44 of the Financial Management and Accountability Act 1997 requires that public money be spent in an efficient, effective and ethical manner.

All ASQA corporate credit card holders are required to sign a personal responsibilities form confirming they understand the policy and the APS Code of Conduct. All purchases must be approved by a delegate with appropriate delegation in writing prior to any purchase being made.

TERTIARY EDUCATION QUALITY AND STANDARDS AGENCY (TEQSA)

1. TEQSA had 34 corporate credit cards as at 31 May 2012. The breakdown of staff with corporate credit cards by classification is as follows: Senior Executive Service: 7; Executive Level: 20; and APS Level: 7.
2.
 - a) A staff member is required to notify the Chief Finance Officer of the misuse of a corporate credit card. In the event of an inadvertent misuse of TEQSA credit card, the costs are recovered and the staff member reminded of their responsibilities as a corporate credit card holder and cautioned. If the misuse is intentional or the amount involved is significant, then formal investigation and disciplinary action is initiated in addition to the recovery of costs.
 - b) A monthly credit card reconciliation and acquittal process is undertaken by each staff member along with appropriate approval on expenditure incurred.
 - c) See 2(a) above.
 - d) There has been one instance of accidental misuse of a corporate credit card for personal expenditure by an EL2 level staff member. The amount was immediately reimbursed and no further action was taken.
3. New corporate credit card holders are required to sign a Personal Responsibility form for the use of the TEQSA Corporate Card. This is to ensure that corporate credit card holders are aware of their responsibilities. A monthly credit card acquittal process is required from all card holders. This ensures that credit card transactions are monitored and appropriate approval

is given for the expenses incurred against the credit card. In addition, prior to issuing a credit card to officials, a request must be provided by the person's manager together with justification on the need for a corporate credit card.