

Practical Guide: 4

Credit Cards

(Australian Government Credit Card,
Cabcharge and Fuel Cards)

1 July 2013

Process Owner and Release Control

Process Owner:	Russell Thackeray
Version Number:	
Released By:	
Release Date:	
Release Notes:	

Change History

Date	Nature of change
9 Apr 2009	Draft to Corporate AWG comment
1 July 2009	Approved by Fair Work Ombudsman
1 July 2010	References updated
30 November 2010	Reviewed
18 December 2013	Reviewed

Contents

1 Introduction	4
2 Credit Cards General	4
2.1 <i>Types of Cards</i>	4
2.2 <i>Issue and Administration of Cards</i>	4
2.3 <i>Custody and Use of Credit Cards</i>	4
3 AGGC (Purchase and Travel Cards)	6
3.1 <i>Purchase Card</i>	6
3.2 <i>Travel Card</i>	6
4 Cabcharge Vouchers	7
5 Fuel Charge Cards	7
6 References	7

1 Introduction

The Chief Executive Instructions (CEIs) cover the principles that apply to how the FWO corporate governance arrangements are implemented. The CEIs are issued under the provisions of the [Financial Management and Accountability \(FMA\) Act section 52](#), and [Financial Management and Accountability Regulation 6](#). This Guide sets out how to put these principles into practical effect in relation to the Credit Cards.

2 Credit Cards General

2.1 Types of Cards

- 2.1.1 The FWO may provide staff with credit card facilities to undertake business activities. Credit card facilities can be in the form of Australian Government Credit Card (AGCC), Cabcharge cards and vouchers and Fuel cards.
- 2.1.2 The two types of AGCC within the FWO are the Purchasing Card (Mastercard “companion card” issued by Diners Club) and the Travel Card (Diners card).

2.2 Issue and Administration of Cards

- 2.2.1 The issue of a credit card can only be approved by the Card Issuing Delegate. The delegate will also approve the conditions of use including the credit and transaction limits. Details of the card and conditions of use are to be recorded in the appropriate card register.
- 2.2.2 The areas responsible for the administration of cards are:

Card	Responsible Administration Area
Purchase Card	Finance
Travel Card	Finance
Cabcharge Vouchers	Finance to Business Units who manage for their staff
Fuel Card (for leased vehicles)	Leaseplan administer the fuel card accounts and cards on behalf of the FWO

2.3 Custody and Use of Credit Cards

- 2.3.1 Cardholders must sign, understand and comply with card terms and conditions outlined in the AGCC agreement provided by the Card Issuing Delegate. A cardholder will be notified separately if certain restrictions regarding the use of a card apply.
- 2.3.2 The card is only to be used by the person whose name is embossed on the card. Transfer of the card to another person is illegal.

- 2.3.3 Credit card facilities must be used only for official business. Credit card facilities must not be used for expenditure of a private nature. A staff member misusing an FWO credit card facility will be subject to action under the APS Code of Conduct and may be subject to prosecution.
- 2.3.4 Credit card purchases are subject to the same guidelines as outlined in Finance Direction 10 – Procurement of Goods and Services in relation to compliance with Commonwealth Procurement Guidelines, Contracts Committee oversight and procurement approval processes.
- 2.3.5 All cardholders are also expected to adhere to the credit provider’s conditions of use (which are sent to new cardholders together with the card).
- 2.3.6 Cardholders are responsible for the safe custody and care of the card. Cardholders must:
- Keep the card under close control and appropriately secured when not in use.
 - Exercise care when using credit cards over the telephone or the Internet by checking that the supplier is legitimate; and
 - Checking credit card statements carefully for discrepancies and notify the Finance team and the card provider immediately of any discovery of fraudulent or suspect transactions.

Loss/Replacement Credit Cards

- 2.3.7 If a card is lost the card provider is to be contacted immediately to cancel the card and to order a replacement. The Finance Team is also to be advised.

Return of Credit Cards

- 2.3.8 Credit cards shall be returned immediately to the Finance Team, if the cardholder:
- resigns; or
 - transfers to another position or is on long term higher duties in another position for more than 4 weeks; or
 - takes leave in excess of 3 months; or
 - is instructed to do so by their Team Manager or the Chief Financial Officer.

Misuse of Credit Cards

- 2.3.9 Misuse of a credit card is a breach of *section 60 of the FMA Act*. Use of the credit card for private purposes by a cardholder is not permitted under any circumstances. All cases of apparent misuse of credit cards are to the Chief Financial Officer.

3 AGGC (Purchase and Travel Cards)

3.1 Purchase Card

Usage

- 3.1.1 The Purchase Card is only to be used for general purchasing activities subject to conditions outlined in the AGCC Agreement, delegation limits, and the Procurement Policy and Procurement Guide. The Purchase Card is not to be used for travel related expenditure (see 3.2 Travel Card).

Approval to Purchase

- 3.1.2 Under the Financial Delegations, cardholders have a financial delegation of \$2,000 to purchase using their Purchase Card. Individual delegates may implement local arrangements regarding the approval processes to be followed prior to purchases being made with the Purchase Card to ensure they have a suitable comfort level prior to signing off the Purchase Card statement reconciliation.

Purchases Over the Counter

- 3.1.3 Before signing the merchant sales voucher the cardholder is to ensure that the voucher contains a full and proper description of the item(s) purchased. A tax invoice must be obtained and attached to the reconciliation of the Purchase Card statement.

Purchases by Telephone

- 3.1.4 As no merchant sales voucher is issued, the cardholder must ensure they receive a tax invoice either before or immediately after the purchase.

Reconciliation Against Billing Statement

- 3.1.5 A statement detailing each cardholder's transactions for the previous accounting period will be uploaded into Connect each month. It is the cardholder's responsibility to acquit this statement to ensure that all transactions are bona fide and that a tax invoice is saved in Doc Bank for each transaction.

3.2 Travel Card

- 3.2.1 The Travel Card is only to be used for travel related expenditure and specified official hospitality by the cardholder subject to conditions outlined in the AGCC Agreement, Travel Policy and Travel Guide. The Travel Card is not to be used for non travel related expenditure (see 3.1 Purchase Card).
- 3.2.2 Prior to travel, approval to proceed must be sought from the designated Manager and a trip request completed in Connect.

- 3.2.3 Expenditure is to be within the prescribed daily limits outlined in the Travel Guide and all tax invoices are to be retained.
- 3.2.4 A statement detailing each cardholder's transactions for the billing period will be uploaded in Connect each month. It is the cardholder's responsibility to acquit this statement and ensure that all transactions are bona fide

4 Cabcharge Vouchers

- 4.1.1 Employees issued Cabcharge vouchers are to ensure they receive a tax invoice for all Cabcharge vouchers used. Employees must ensure all trip details including date, times and amount are clearly recorded on the transaction slip. Employees must never sign blank or incomplete transaction slips. Employees may be liable for charges where the journey has been signed for without journey details.

5 Fuel Charge Cards

- 5.1.1 Fuel cards are only used to purchase fuel for vehicles leased by the FWO and only for the vehicle registration that appears on the card. The card is issued by LeasePlan at the same time the vehicle is delivered.
- 5.1.2 Card details, including vehicle registration, date of issue, date of return, cardholder name and date of expiry and provider are to be recorded in a register as soon as the card is received.
- 5.1.3 It is important each time the card is used to purchase fuel that the driver quotes the odometer reading to the operator. Fuel usage and costs for each vehicle during the accounting period, including the date, time and location of fuel provider are recorded on a statement attached to the other invoices received from LeasePlan. This assists in the completion of an accurate annual energy usage report and Fringe Benefits return.
- 5.1.4 Finance is responsible for endorsing account details including account code and verification that the services have been satisfactorily received. Any anomalies found are to be taken up immediately with the contact officer whose name appears on the LeasePlan invoice. Payment should be made by the agreed due date.

6 References

Operating Procedures:	
Related Practical Guides:	14. Procurement 5. Domestic Travel 11. Official Hospitality 12. Overseas Travel 15. Vehicle Usage
Delegations/Authorisations:	
Forms	