

Senate Finance and Public Administration Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
BUDGET ESTIMATES 2011-2012

Finance and Deregulation Portfolio

Department/Agency: Department of Finance and Deregulation

Outcome/Program: 2/2.1

Topic: Credit cards

Senator: Cormann

Question reference number: F51

Type of question: Hansard F&PA, Page 54, 26 May 2011

Date set by the committee for the return of answer: Friday, 8 July 2011

Number of pages: 1

Question:

Senator CORMANN: As you are looking at the management of credit card services across government is that a responsibility that gets centralised into the finance department—managing fraud risk—or would that remain with individual departments?

Mr Tune: It will remain with the individual departments. I am surmising here a little, but what you might get from centralised usage is better reporting, which might assist an individual CEO to detect fraud that might be going on or incorrect use inside an agency. That might be a side benefit you get from it, but it would not be the primary purpose of our going in there with a coordinated procurement.

Senator CORMANN: Are these credit cards available across government departments limited liability cards or are they full government liability cards?

Mr Helgeby: We would have to take that question on notice.

Answer:

Under the *Financial Management and Accountability Act 1997*, agency Chief Executives are responsible for managing the affairs of their agency in a way that promotes the *proper use* of Commonwealth resources (i.e. efficient, effective, economical and ethical use that is not inconsistent with the policies of the Commonwealth). This responsibility extends to the management of Commonwealth credit cards, including establishing appropriate controls, such as spending limits for credit cards.