

## QUESTION TAKEN ON NOTICE

**ADDITIONAL ESTIMATES HEARING: 11 February 2013**

IMMIGRATION AND CITIZENSHIP PORTFOLIO

**(AE13/0485) PROGRAM: Internal Product**

Senator Humphries (written) asked:

Portfolio wide - Provide a breakdown for each employment classification that has a corporate credit card. Please update details of the following? What action is taken if the corporate credit card is misused? How is corporate credit card use monitored? What happens if misuse of a corporate credit card is discovered? Have any instances of corporate credit card misuse have been discovered? List staff classification and what the misuse was, and the action taken. What action is taken to prevent corporate credit card misuse?

*Answer:*

The Department of Immigration and Citizenship (DIAC) currently uses two credit cards, Mastercard for general business expenditure and Diners for travel related expenditure.

As at 28 February 2013, the department had 5 446 cards issued to staff.

<b>Name of Provider</b>	<b>Number of Cards</b>
CBA Mastercard - Purchase card	1 093
Diners - Travel card	4 353
<b>Total number of cards</b>	<b>5 446</b>

All DIAC APS staff are eligible to apply for a corporate credit card. A number of staff hold both the Travel card and the Purchase card.

<b>Classification</b>	<b>Number of AGPC Cardholders</b>	<b>Number of Diners Cardholders</b>
APS 1-6	573	3 190
Executive Level 1-2	413	1 051
SES	106	111
Secretary	1	1
<b>Total</b>	<b>1 093</b>	<b>4 353</b>

### **Credit Card Misuse - Action taken**

If a suspected breach of the code of conduct is identified, the matter is referred to the department's Director of Values & Conduct to investigate. If inappropriate use is identified, the matter may be referred to the Australian Federal Police for assessment and further action. Any disciplinary action taken by DIAC is in accordance with the *Public Service Act 1999 (the Act)*. Section 15 of the Act allows an agency head or a duly authorised delegate to impose a range of disciplinary remedies, such as a reprimand, where minor breaches are discovered, to loss of employment in more serious cases.

### **Credit Card Monitoring and Action to Prevent Misuse**

For both Diners and Mastercard:

- The credit card holder's supervisor, or another officer is required to physically sight and check credit card statements and all invoices/supporting documentation
- The supervisor is required to electronically review and sign-off the statement in the financial management system SAP
- Employees are required to undertake a course and attain 100% pass mark on a test relating to the policies and procedures in the use of the credit card.
- The cardholders are required to resit the test at the date of the card renewal, normally every three years
- Staff who take leave for more than three months are required to surrender their card and resit the test on their return
- The key control for Diners cards is that the cards can only be used for travel related expenditure and merchants are blocked for non-travel related purchases.

### **Credit Card Misuse**

There have been no reported cases of fraudulent activity on corporate credit cards for the period 1 July 2012 to 28 February 2013.

### **Action Taken**

The Debt Management Team issues an invoice to the staff member for the accidental purchase on the corporate credit card. Reminder letters are sent to the staff member, if required. Where repayment has not been received within a reasonable timeframe the card is cancelled.

MRT-RRT

*Answer:*

The MRT-RRT currently has 13 credit card holders. The breakdown of credit card holders by employment classification is as follows:

- EL2 - 5 cards
- EL1 - 5 cards
- APS 6 - 2 cards
- APS4 - 1 card

Misuse of corporate credit cards is treated as possible fraud and/or code of conduct issue. The MRT-RRT reviews all credit card statements and requires users to provide invoices and proof of goods or services received prior to approval by a delegate. There has been no misuse of corporate credit cards identified in the financial year to 31 January 2013.