
Credit Card Policy

Submission Date: July 2009
Submitted By: Tony Alden
Chief Executive
Officer

Overview Waimate District Council does not currently have a credit card policy.

Background Sensitive Expenditure – Credit Cards - Audit New Zealand advised that *“management would gain greater assurance over expenditure incurred by members of staff if a policy was implemented to provide guidance for expenditure incurred”*.
It was recommended that a credit card policy be adopted by Council.

Proposal Credit Cards are only issued to: Mayor
Chief Executive Officer

The credit cards are only to be used for Council purchases where it is impractical to use other purchasing methods of orders and service requests. This would generally only be for purchases when out of town on Council business.

Card limits are set at levels considerably lower than the holder's delegated authority.

The issue of cards is to be approved by the Chief Executive and Mayor.

All receipts, invoices and information associated with credit card purchases are to be forwarded to the Accounts Payable Clerk at the time the expense is incurred together with expense code, or alternatively held until the statement is received. When the credit card statement is received, this will then be forwarded to the cardholder for authorisation.

For the avoidance of doubt, no personal or private expenditure is to be charged to Council credit cards.

Credit cards are currently authorised for payment by the holder and then they are authorised by the holder's supervisor.

As with cell phone accounts those credit card holders are to:

1. Check the account for accuracy.
2. Code expenditure.
3. Pass to their supervisor for authorisation.
4. Pass on to the Accounts Payable Officer to process the payment.

Although private expenditure is not permitted on Council credit cards and the expenditure is within the holder's authorisation limits, supervisors should be aware of the type and level of expenditure being made.

These new policies are to take effect immediately.

Recommendation THAT THE ABOVE CREDIT CARD POLICY BE APPROVED BY THE WAIMATE DISTRICT COUNCIL.