Purchase Card Policy

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1. Purpose

This Policy establishes a clear and controlled framework for the issue and use of corporate purchase cards to ensure:

- Expenditure is appropriate, authorised, and for legitimate business purposes
- Public resources are used responsibly and transparently
- Risks of fraud, misuse, and error are minimised
- All transactions are capable of audit and public scrutiny.

2. Scope

This Policy applies to:

- All employees and office bearers issued with a NYLGA corporate purchase card (either credit or debit).

3. Definitions

Cardholder
An employee or office bearer authorised to hold and use a corporate purchase card.

Private Expenditure
Any expenditure not directly related to approved NYLGA business activities.

Value for Money
The optimal use of resources based on cost, quality, risk, and fitness for purpose.

4. Guiding Principles

All use of corporate purchase cards must adhere to:

- Accountability and transparency
- Value for money
- Appropriate use of public resources
- Compliance with financial delegations and budgets
- Proper documentation and auditability
- Ethical conduct and integrity.

5. Issuing Corporate Purchase Cards

Corporate purchase cards may be issued where there is a demonstrated operational need, including:

- Regular travel requirements

- Official business hosting
- Operational purchases requiring efficiency

All purchase cards must:

- Be approved by the Chief Executive Officer (or delegated authority)
- Be issued subject to defined credit limits
- Require the cardholder to acknowledge and accept their responsibilities prior to issue.

6. Permitted and Prohibited Use

Permitted Use

Purchase cards must only be used for:

- Official NYLGA business purposes
- Approved and budgeted expenditure
- Transactions within delegation limits.

Prohibited Use

Purchase cards must not be used for:

- Personal or private expenditure
- Cash advances
- Circumventing procurement or approval processes
- Splitting transactions to avoid limits
- Purchases where established procurement arrangements exist (unless authorised)

All transactions must be reasonable and able to withstand public scrutiny.

7. Credit Limits

Credit limits must:

- Be appropriate to the operational requirements of the role
- Be approved by the Chief Executive Officer or delegated authority.

Standard credit limits should not exceed $5,000 unless specifically justified and approved.

8. Reconciliation and Acquittal

Cardholders must:

- Submit all transactions with supporting documentation (tax invoices)
- Reconcile transactions within 14 days of the statement date
- Provide sufficient detail describing the business purpose of each transaction.

Where applicable:

- Details of attendees must be recorded for hospitality-related expenditure (to comply with FBT requirements).

Where documentation cannot be provided:

- The expenditure will be treated as private and must be reimbursed

All reconciliations must be independently reviewed and approved.

9. Lost, Stolen or Compromised Cards

Cardholders must immediately:

- Notify the financial institution
- Notify NYLGA management
- Take action to suspend the card where possible.

10. Cancellation and Withdrawal

Purchase cards must be cancelled where:

- No longer required
- The cardholder changes roles
- Employment ceases
- Misuse or non-compliance occurs.

Prior to cancellation, cardholders must:

- Reconcile all outstanding transactions
- Return or securely destroy the card.

11. Probity, Misuse and Non-Compliance

Misuse of a corporate purchase card may result in:

- Repayment of unauthorised expenditure
- Suspension or cancellation of the card
- Disciplinary action in accordance with NYLGA policies
- Referral to external authorities where appropriate.

12. Roles and Responsibilities

Chief Executive Officer (or delegate):

- Approves issuance and limits of purchase cards
- Ensures appropriate oversight and controls are in place.

Cardholders:

- Use cards in accordance with this Policy
- Maintain security of the card
- Ensure timely reconciliation and accurate documentation.

Approving Officer:

- Reviews and approves reconciliations
- Ensures transactions are appropriate and compliant.

13. Record Keeping

All purchase card transactions must be:

- Fully documented
- Retained in accordance with financial and records management requirements
- Available for audit and review.

14. Monitoring and Continuous Improvement

Purchase card usage will be:

- Periodically reviewed
- Subject to audit and compliance checks
- Analysed to identify risks or inappropriate usage.

15. Related Policies

- Procurement Policy
- Financial Management Policy
- Code of Conduct
- Fraud and Corruption Prevention Policy
- Disciplinary Policy.

16. Legislative Context

This Policy operates within the broader framework of:

- Local Government Act 1999 (SA)
- Goods and Services Tax Act 1999
- Fringe Benefits Tax Assessment Act 1986.

17. Review

This Policy will be reviewed every two years or earlier if required due to:

- Legislative changes
- Audit findings
- Identified risks or control weaknesses.