



Shire of **Ngaanyatjarraku**
ON A JOURNEY

Council Policy

Policy 2.11 – Corporate Purchasing Cards

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Council Policy 2.11 – Corporate Purchasing Cards

Corporate Purchasing Cards

Introduction

Corporate purchasing cards are a valuable tool to streamline low-value, high-volume transactions and reduce administrative burden. When managed effectively, they contribute to operational efficiency while maintaining accountability and transparency in the use of public funds. This policy sets the governance framework for their use within the Shire of Ngaanyatjarraku.

Purpose

To define Council's position on the use of corporate purchasing cards and ensure that their use supports good governance, strong financial controls, and transparent reporting practices.

Objective

To establish a high-level policy framework that:

- Enables the efficient use of corporate purchasing cards for authorised Shire expenditure
- Promotes risk-aware decision-making and expenditure control
- Ensures oversight and compliance with legislative and audit requirements
- Limits overall organisational exposure through the setting of card limits and responsibilities

Scope

This policy applies to corporate purchasing cards and cardholders. A Corporate Purchasing Card is defined as any payment card issued by the Shire of Ngaanyatjarraku to authorised employees for business related purchases. A corporate purchasing card includes, but is not limited to corporate credit cards, fuel and store cards (where applicable).

Policy Statement

The Shire of Ngaanyatjarraku supports the controlled use of corporate purchasing cards as an efficient method for conducting approved Shire business transactions.

Corporate purchasing cards are to be used strictly in accordance with:

- The *Local Government Act 1995* and relevant subsidiary legislation
- The Shire's adopted financial management and procurement frameworks
- Delegations and responsibilities approved by Council and/or the CEO
- Policies and procedures authorised by the CEO

Council Responsibilities

Council will:

- Determine and adopt policy principles governing corporate purchasing card use
- Receive monthly reports on card transactions in accordance with *Financial Management Regulation 13A*
- Review this policy at least every two years or as required
- Via the Shire President, approve the issue and credit limit of the CEO's corporate purchasing card(s)
- Set the **maximum aggregate limit for all corporate purchasing cards at \$30,000**, in line with prudent financial management and risk control

CEO Responsibilities

The CEO is responsible for:

- Implementing and maintaining administrative policies and procedures for the effective oversight, issuance, use, and reconciliation of corporate purchasing cards
- Ensuring all cardholders receive appropriate training and adhere to strict accountability requirements
- Managing cardholder limits and use within the aggregate cap set by Council
- Conducting periodic reviews of cardholder activity to ensure alignment with policy and risk controls
- Reporting to Council on purchasing card activity as required by legislation and policy

Risk Management and Internal Control

Council recognises that purchasing cards represent a potential risk exposure if not properly controlled. To mitigate this:

- Cards are to be issued on a needs basis and limited to approved officers
- Use is restricted to approved business transactions only
- Expenditure must comply with approved budgets and procurement thresholds
- Monthly reporting to Council provide transparency and oversight
- The **total aggregate limit of \$30,000** is a control mechanism to contain risk exposure across the organisation

Relevant Legislation

The following provisions of the *Local Government Act 1995* (the Act) and associated regulations impact on the use and control of corporate credit cards:

- Section 2.7(2)(a) and (b) of the Act requires the council to oversee the allocation of the local government's finances and resources and to determine the policies of the local government.
- Section 6.5(a) of the Act requires the CEO to ensure that proper accounts and records of the transactions and affairs of the local government are kept in accordance with regulations.
- *Local Government (Financial Management) Regulations 1996* 11(1)(a) requires local governments to develop procedures for the authorisation and payment of accounts to ensure that there is effective security and appropriate authorisations in place for the use of corporate purchasing cards.
- *Local Government (Financial Management) Regulations 1996* 13A requires local governments where an employee has been authorised to use a corporate purchasing card, that a list of payments made using the card be prepared each month and presented to council at the next ordinary meeting of the council. Details required to be provided in the report are prescribed.

Misuse of Corporate Purchasing Cards

Misuse of corporate purchasing cards may lead to disciplinary action being instituted under the relevant terms and conditions of the offending cardholder's employment contract and may lead to the matter being reported in accordance with Part 3 of the *Corruption, Crime and Misconduct Act 2003*.

Policy History

Amendments to this Policy

Amendments to this policy require a simple majority decision of Council.

History

Policy adopted: unknown

Policy amended: 26 April 2023

Policy reviewed: 28 June 2023

Policy reviewed and amended: 27 August 2025

Previous Policy

Policy 2.8