

POLICY

3.3 CREDIT FACILITIES



Supporting Procedure:		
Other Related Documents:	Policy 3.1 Procurement Policy 3.2 Banking and Accounts Delegations of Authority Credit Card Register Organisational Credit Card Issue Form	
Category:	Finance	
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Introduction

The PHCC provides authorised Employee credit cards to enable the PHCC to conduct its business as efficiently as possible, whilst minimizing financial risks to the organisation. This Policy sets out the requirements for setting credit facilities, issuing credit cards and managing credit card use.

Definitions

For the purposes of this Policy:

'Board of Management' means the Association Members of PHCC and has the same meaning as the word 'Council' in the constitution

'Board' means Board of Management

'Employee' means all paid employed persons of PHCC

'Credit Card' is a card issued in the name of an individual holder and linked to a bank credit facility of Peel Harvey Catchment Council

'Credit Facility' is a line of credit issued by the bank to PHCC

Policy Statement

1 Credit Facility

- 1.1 Approval for the issue of a credit card, or credit card limit, must be undertaken as defined in the Delegations of Authority
- 1.2 The setting of credit facility limits (overall organisational limit), which may be provided through a master limit or combined card limits, must be undertaken as defined in the Delegations of Authority

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- 1.3 The Finance Manager is responsible for maintaining the Credit Card Register, which will be presented to the Finance and Audit Committee on an annual basis, or on request

2 Issue and Credit Limit of Credit Cards

- 2.1 When making recommendations for the issue and limit of credit cards, the following must be taken, into consideration:
 - 2.1.1 The operational need for that Employee to pay for goods and services via credit
 - 2.1.2 That the limit is appropriate to the purchasing requirements within a billing period
 - 2.1.3 The effect on the total credit facility of PHCC
- 2.2 Credit cards may be issued to Employees within their probation period, at the discretion of the Executive Committee and/or the CEO.

3 Management of Credit Card Facilities

- 3.1 The PHCC's online banking system will be used to monitor the credit card transactions
- 3.2 The financial management software of PHCC will be used to record and report on individual credit card transactions and to reconcile those transactions to the bank records at least once per month.

4 Cardholder's Responsibilities

- 4.1 The use of a credit card is a method of payment only, and does not preclude the requirement to undertake all purchases within Policy 3.1 Procurement
- 4.2 All cardholders must acknowledge Policy requirements prior to the credit card purchase
- 4.3 In regard to the card, the cardholder must follow the Credit Card Procedure and the information in the Organisational Credit Card Issue Form.

5 Credit Card Misconduct

- 5.1 Where a breach of this Policy and/or associated Procedures occurs, the CEO will assess the nature of the breach and, dependent on its severity, may:
 - 5.1.1 Issue a formal warning against the Employee
 - 5.1.2 Remove the credit card from use
 - 5.1.3 Terminate the Employee
 - 5.1.4 Notify police, should the breach be considered criminal in nature
- 5.2 In the event that misconduct involves personal purchases, PHCC has the right to recover the value of those purchases from the employee's salary prior to payment of the salary.