|  |  |
| --- | --- |
| Purpose | To ensure that any credit/debit card expenditure of our organisation is managed in accordance with accepted standards of sound financial management and meets financial audit requirements. |
| Scope | This procedure applies to all staff, including contractors and our Board/Directors.  All staff authorised to use an organisation’s credit/debit card will be socialised to this procedure during on-boarding and ongoing as appropriate. |
| References | |
| Guidelines | [Smart Business (IRD guide 2020)](https://www.classic.ird.govt.nz/resources/7/1/71d8297c-e844-4d91-9699-3810c305fcc2/ir320-may-2020.pdf)  [Guidance from the Office of the Auditor General](http://www.oag.govt.nz/2007/sensitive-expenditure) (pages 19-20) |
| Related  organisational  documents | Financial Management  Cash Management  Separation of Financial Duties  Financial Delegations  Fraud and Theft  Sensitive Expenditure |

Credit/debit card use processes

Throughout the authorised use of credit/debit cards

Board/Director/management/authorised person

* Issued only after being authorised by the board/director.
* A register of cardholders shall be maintained.
* Limits are set by the board/director not by the card holder.
* Prior to the card being issued, the recipient shall receive a copy of this procedure and sign a statement that they have understood it and that they will adhere to it.
* (Staff/contractor with previous conviction of fraud will not be issued with a credit card.)

Conditions to issue card

* Cash advances are **not** permitted.

Cash advances

* Benefits of the credit card (example: membership rewards programme) are only to be used for the benefit of our organisation -they shall not be redeemed for personal use.

Discretionary benefits

* Detailed invoice/GST receipt. (Identifies what was purchased.)
* Card statement to be validated and signed by the card user.
* Cardholders are not allowed to approve their own expenditure.

Accounting for expenditure by:

* Never allow another person to use the credit card.
* Protect the PIN number.
* Purchase only within the credit/debit limit of the card.
* Notify the bank who issued the card and Click here to enter text. immediately if the card is lost or stolen.
* The card must be returned on ceasing employment at our organisation or at any time on request by the Click here to enter text.

Cardholder responsibilities

* Monthly care use is monitored by Click here to enter text.
* The monthly financial reports to the board/director include card use.

Monitoring card use

The card holder:

* Need to reflect good security practice, such as purchasing from only established reputable companies known to our organisation.
* Needs to keep a copy of any online order forms completed when purchasing, by card over the Internet.
* Needs to be consistent with the organisations purchasing controls.

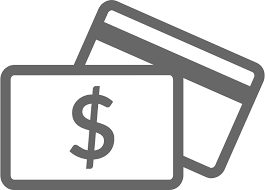
Internet purchases

The Click here to enter text. ensures the cancellation and/or destruction of credit/debit cards:

* When the card is stolen.
* When the card has been misused.
* When accounts are closed.
* When the card has not been used for 12 months.

The card holder cannot make decisions to cancel or destroy the card.

Cancelling and destroying cards



|  |  |  |
| --- | --- | --- |
| Cards cannot be used: | * For inappropriate business-related expenditure (in both quantity and type). * To obtain cash for a business purpose. * For personal benefit, by obtaining cash or paying for personal items. * For any goods and services that have not been authorised. * As a loan or gift to someone else. | |
| Consequences for unauthorised use: | Options:   * investigate * suspension * dismissal * report to the police * performance management * disciplinary process | |
| Staff/contractors eligible for credit cards | Name | Role |
| Click here to enter text. | Click here to enter text. |
| Click here to enter text. | Click here to enter text. |
| Click here to enter text. | Click here to enter text. |
| Click here to enter text. | Click here to enter text. |

Cardholder:

I have read and understood this procedure and agree to adhere to it:

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Role: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: Click here to enter a date.

Authorisation for the use of credit  debit  card was given by:

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Role: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: Click here to enter a date.

This authorisation will be reviewed on Click here to enter a date.

Consultation

|  |  |
| --- | --- |
| Group/Role | Date |
|  |  |
|  |  |
|  |  |
|  |  |