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## CREDIT CARD POLICY

**SWA Policy No:** 01  
**Drafted:** January 2007  
**Adopted:**  
**Amended:**  
**Version:** 01

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### Purpose

The purpose of this policy is to:

1. Ensure that organisational transactions are carried out as efficiently as possible the use of credit cards and transaction cards as appropriate.
2. Guard against any possible abuse of organizational credit cards.

### Procedures

#### 1. Card Issue

The Organisational Credit Card may only be issued by the Executive Officer with authority from the Board, where their functions and duties would be enhanced by the use of an Organisational Credit Card. Cards will thus be issued only to people on the approved Credit Card List, which is approved by the Executive Officer and Board.

Cards may be issued on a temporary basis and recovered afterwards.

Each Organisational Credit Card will be issued to a specific person, who will remain personally accountable for the use of the card. Cardholders will sign the attached declaration.

Only the authorised signatory may use the card. No more than one card shall be issued per cardholder. Credit limits as appropriate shall be set for each card by the issuing authority.

South West Arts Inc	
Nina O'Brien	\$4,000.00

## 2. Cardholder's Responsibilities

The cardholder shall:

- In all cases obtain and retain sufficient supporting documentation to validate the expense (e.g. tax invoice) or shall in lieu provide a statutory declaration.
- Attach these to the monthly statement from the bank.
- Review the monthly statement for inaccuracies (and report these to the Executive Officer and Finance Officer).
- Verify that goods and services listed were received.
- Sign the monthly statement to verify that transactions have been made for official purposes.
- Forward the papers to the authorized signatory for approval (the Board shall authorise payments to the Executive Officer; the Executive Officer shall authorise the expenditure of all other cardholders).
- Notify the bank and the Executive Officer immediately if:
  - The card is lost or stolen;
  - Any unauthorised transaction is detected or suspected.
- Notify the Executive Officer of any change in name or contact details.
- Take adequate measures to ensure the security of the card.
- Return the card to the Executive Officer if:
  - The cardholder resigns;
  - The Executive Officer determines that there is no longer a need for the cardholder to retain his or her card;
  - The Organisational Credit Card has been cancelled by the Bank.
- Be personally liable for any unauthorised transaction unless the card is lost, stolen or subject to fraud on some part of a third party.
- The Cardholder shall not:
  - Exceed any maximum limits set for the Organisational Credit Card from time to time.
  - Obtain cash advances through the Organisational Credit Card.
  - Use the card for any prescribed purchases.
  - Authorise their own expenditure.
  - Claim double allowances (i.e. request reimbursement for an expense already paid by the card).

### **3. Credit Card Expenditure**

The Card will only be used for those activities that are a direct consequence of the cardholders' function within the organization.

Where coincident and/or private expenditure occurs on the same transaction (where, for example, a person incurs a debt for personal telephone calls during a hotel stay) the cardholder must settle the private expense prior to charging the balance on the Organisational Credit Card.

Where doubt exists as to whether or not an item is function-related, prior authorization should be obtained from the Executive Officer (or, in the case of the Executive Officer's own card, the Board).

The use of the corporate card for "services of a dubious nature" is expressly prohibited. "Services of a dubious nature" are defined as any goods or services that might bring the name of the organization into disrepute.

### **4. Credit Card Misconduct**

Wherever a breach in this policy occurs, the Executive Officer must assess the nature of the breach and if significant report the breach to the police for criminal investigation or if lesser in nature, institute an appropriate disciplinary process.

- In the first instance, counseling and or verbal warning (and diary or file note created)
- In the second instance, a written warning
- In the third instance, or if the dollar amount is greater than \$100.00 the card is to be immediately withdrawn.

At the next Executive Committee meeting the Executive Officer shall report:

- The investigation of the circumstances of the breach
- Police reports and action (if any)
- Disciplinary action taken (if any)

## CARD ISSUE FORM

**Organisation Name:**

**Cardholder Name:**

**Position:**

I understand and agree that the Organisational Credit Card is issued to me on the express understanding that I will, at all times, comply with the following conditions.

### USE

1. The Organisational Credit Card is the property of South West Arts Inc and is in my possession and under my strict control.
2. I will not permit the Card to be used by any person other than myself.
3. I will only use the Card for official purposes.
4. I will immediately report any unauthorized use of the Card to the bank and the Executive Officer and Finance Officer.
5. I will not use the Card to pay for expenses that have already been claimed (or will be claimed) by any form of allowance.

### MONTHLY RECONCILIATION

6. I will be issued with a monthly statement by the bank. I will:

Ensure that all transactions that appear on the monthly statement are verified by me.

Ensure that sufficient supporting documentation is attached to the monthly statement when it is submitted for approval.

Certify that goods or services paid for using the Card have actually been delivered or provided.

Sign the monthly statement provided by the service provider to indicate that the transactions appearing on the statement have been made only for official purposes.

### CHANGE IN CARDHOLDER DETAILS

7. I will immediately advise the Executive Officer/Board of any change in my name or contact details.

### UPON RESIGNATION OR DISMISSAL

8. I will immediately return my Card to the Executive Officer/Board if I resign, or if my services as an employee of the organization are otherwise terminated, or if I am instructed to do so by the Executive Officer or Board.

### LOST OR STOLEN CARDS

9. I will immediately report the loss or theft of my Card to the Bank and the Executive Officer/Board.

## DECLARATION

10. I confirm that I have access to only one Card.
11. I acknowledge that I have been briefed on all aspects of the operation and use of the Card.

**Cardholder Signature**

**Signature of Authorised Card Issuer**