



## Financial Transaction Cards Policy

Policy No	PN-0006	Version	1
		Date of Approval	26/09/2019
		Board reviewed policy on 19/09/22 with no changes required.	
Pillar Area	Governance	Scheduled review date	2024

### Introduction

The use of financial transaction cards, including credit cards, is a major convenience for Australian Dragon Boat Federation Ltd (AusDBF) and for employees/volunteers, and can, if properly managed, contribute to easier and more secure accounting of expenses. To achieve these benefits several precautionary procedures should be put in place.

### Purpose

The purpose of this policy is to:

- a) ensure that organisational transactions are carried out as efficiently as possible using credit cards and transaction cards as appropriate.
- b) guard against any possible abuse of organisational transaction cards.

### Policy

Transaction cards issued to AusDBF, including those held in the name of any staff, volunteers or officers on behalf of the organisation, will only be used for those activities that are a direct consequence of the cardholders' function within the organisation. Their use will be monitored according to the procedures listed below. Any use of the card inconsistent with this policy and these procedures will be grounds for dismissal.

# Financial Transaction Cards Procedures

Procedures No	PRO-0006	Version	1
Drafted by	Finance Director	Approved by board	
Responsible person	Board	Scheduled review date	2 years

## Responsibilities

It is the responsibility of the Finance Director to ensure that:

- a) staff and volunteers are aware of this policy;
- b) any breaches of this policy coming to the attention of management are dealt with appropriately.
- c) It is the responsibility of the all employees and volunteers to ensure that their usage of credit cards conforms to this policy.

## Processes

### 1. Card Issue

Any organisational financial transaction cards may only be issued to a board member, staff member, or volunteer where their functions and duties would be enhanced by their use. Cards will thus be issued only to people on the approved Organisational Financial Transaction Card List. The list shall be held by the Business Manager.

Other persons may be added to the list by the Board. The Board may delegate the power to add persons to the list to any or all:

- a) The Finance Committee;
- b) The auditor.

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

Each financial transaction card will be issued to a specific person, who will remain personally accountable for the use of the card. Cardholders will sign a declaration to this effect.

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.

### 2. Cardholder's Responsibilities

The Cardholder shall:

- a) In all cases obtain and retain enough supporting documentation to validate the expense (e.g. tax invoice).
- b) Attach supporting documentation to the monthly statement from the bank.
- c) Review the monthly statement for inaccuracies (and report these to the Finance Director).
- d) Verify that that goods and services listed were received.
- e) Sign the monthly statement to verify that transactions have been made for official purposes.
- f) Forward the papers to the authorised signatory for approval (the Finance Director shall authorise the expenditure of all cardholders).
- g) Notify the bank (or issuing entity) and the Finance Director immediately if
  - i) The card is lost or stolen; and/or
  - ii) Any unauthorised transaction is detected or suspected.
- h) Notify the Finance Director and the issuing entity of any change in name or contact details.
- i) Take adequate measures to ensure the security of the card.
- j) Return the card to the Finance director if

- i) The cardholder resigns;
- ii) the Board determines that there is no longer a need for the cardholder to retain his or her card; or
- iii) the card has been cancelled by the issuing entity.
- k) Be personally liable for any unauthorised transaction unless the card is lost, stolen or subject to fraud on some part of a third party.
- l) The Cardholder shall not:
  - i) exceed any maximum limits set for the card from time to time.
  - ii) obtain cash advances through the card.
  - iii) use the card for any proscribed purchases.
  - iv) authorise their own expenditure.
  - v) claim double allowances (i.e. request reimbursement for an expense already paid by the card).
- m) In the event a tax invoice is unavailable, clear it with the Finance Director to submit an authorised statutory declaration (stat dec).

### **3. Card Expenditure**

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

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 card.

Where doubt exists as to whether an item is function-related, prior authorisation should be obtained from the Finance Director.

Use of the credit card must not be used to purchase alcohol.

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 organisation into disrepute.

### **4. Card Misconduct**

Wherever a breach in this policy occurs, the Finance Director must assess the nature of the breach and institute an appropriate disciplinary process,

- a) counselling and / or verbal warning (and diary or file note created and retained on employee's personnel file); and
- b) a written warning.

The Finance Director may determine whether to report a breach of the policy to the police for criminal investigation.

At the next Board Meeting the Finance Director shall report:

- a) the investigation of the circumstances of the breach;
- b) police reports and action (if any); and
- c) disciplinary action taken (if any).