

QUEENSLAND TREASURY

# **Treasurer's Guidelines for the Use of the Queensland Government Corporate Purchasing Card**

## **Banking and Payment Services**

Policy requirements for public sector entities using corporate credit cards as a payment tool

**Date: June 2022**

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#### Issue and review

Issue date: 1 June 2022

Next review date: 30 June 2023

These policy requirements come into effect from the issue date.

Queensland Treasury administers the *Treasurer's Guidelines for the Use of the Queensland Government Corporate Purchasing Card* (Treasurer's Guidelines). The document has been developed and updated by Queensland Treasury and approved by the Treasurer.

#### Contact for enquiries and proposed changes

All enquiries regarding this document should be directed in the first instance to:

Government Banking Unit  
Queensland Treasury  
govbank@treasury.qld.gov.au

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<b>Purpose</b>	<p>Under section 14(3) of the <i>Financial and Performance Management Standard 2019</i>, each accountable officer must implement systems for credit card facilities that are consistent with this document.</p> <p>Departments and other agencies with a corporate purchasing card/corporate card program must create and maintain systems for the governance, management and administration of their program. <b>Agencies may apply these policy requirements by incorporating them in an agency corporate card policy and/or other relevant agency policy.</b></p> <p>For the avoidance of doubt, cards may be provided as (i) a physical card or (ii) a virtual, embedded or ghost card, for example in a procurement system.</p>
<b>Departments must only use corporate card providers approved by the Treasurer</b>	<p>In accordance with section 83 of the <i>Financial Accountability Act 2009</i>, departmental banking arrangements must only be conducted with the financial institutions approved by the Treasurer. The approved institutions to supply the Queensland Government Corporate Purchasing Card (QGCP) are:</p> <ul style="list-style-type: none"> <li>• Commonwealth Bank of Australia</li> <li>• American Express (for business travel accounts only).</li> </ul> <p>Departments must regularly review and report to the Government Banking Unit, Queensland Treasury:</p> <ul style="list-style-type: none"> <li>• any use of credit card facilities from providers other than those financial institutions listed above, including justification for using a different provider</li> <li>• the process being undertaken to close those credit card facilities or request the approval of the Treasurer to continue to use those credit card facilities.</li> </ul> <p>Departments are only to use corporate cards issued with the Queensland Government designs approved by Queensland Treasury.</p>
<b>Corporate cards must only be used for official purposes</b>	<p>An official purpose for corporate card use is a transaction, other than that listed below as prohibited use, which is payment for:</p> <ul style="list-style-type: none"> <li>• the purchase of goods and services by the agency</li> <li>• any other purpose explicitly authorised by an agency policy or by the accountable officer.</li> </ul>
<b>Prohibited use</b>	<p>Corporate cards are not to be used for the following payments or in the following circumstances:</p> <ul style="list-style-type: none"> <li>• transactions not in accordance with these Treasurer's Guidelines, the card provider's terms and conditions of card use, or the Code of Conduct for the Queensland Public Service</li> <li>• transactions of a type or for a purpose explicitly restricted by an agency policy</li> <li>• transactions relating to personal use – including linking to or funding a third-party payment account held in the name of the cardholder or any other private individual (e.g. PayPal); <i>this prohibition does not extend to purchasers of goods or services directly from an entity, such as Uber, which requires the establishment of an account in the name of the cardholder for the transaction</i></li> <li>• splitting of transactions to avoid card limits</li> <li>• tips and gratuities, unless it is in a country and for an amount approved by agency policy</li> <li>• ministerial expenses with the exception of Ministerial Services Branch, Department of the Premier and Cabinet</li> <li>• fines or offences, even if incurred by an individual whilst in a government vehicle</li> <li>• obtaining cash, unless agency policy permits and systems are in place for the acquittal of all cash transactions reported monthly to the agency Chief Finance Officer.</li> </ul>

*Regular review*

Agencies are to implement and regularly review:

- definitions of official and prohibited corporate card use including items set out in these Treasurer's Guidelines
- training in appropriate corporate card use to cardholders, card supervisors and other administration personnel in the corporate card program, including safe practice for internet and telephone payments
- practices for the frequent monitoring of corporate card transactions to identify prohibited and potentially prohibited use
- practices for the timely disputation of unauthorised corporate card transactions within sixty days from the transaction date
- practices for using software and on-line systems to efficiently manage cards and card transactions (e.g. SGD2 or other expense management systems)
- practices for the retention of tax invoices and other documentation to support all transactions
- practices for ensuring compliance with requirements of other Queensland Government policies (e.g. disclosure requirements under the Queensland Procurement Policy).

**Corporate cards must be used for all low value purchases**

All agency purchasing transactions under \$5,000 must be made using a corporate card unless:

- use of a corporate card is not cost effective compared to end to end process of other payment channels
- agency policy has reasonably restricted the use of a corporate card for a particular type of transaction or purpose to satisfy a business need
- corporate card is not accepted by the supplier.

**Corporate cards must only be used by approved persons within approved limits**

Agencies must ensure that:

- a corporate card is only issued to a person where there is a business need
- a corporate card is only issued to a person where they have met the identification requirements of the card provider under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth)
- every cardholder is allocated a card supervisor (i.e. a person who supervises the use of a card). For the avoidance of doubt, the card supervisor is the supervisor of the card not necessarily the line supervisor of the cardholder
- every cardholder has defined transactional and monthly card limits, set at reasonable levels given predicted use, and approved as appropriate under agency policy
- every card transaction is authorised by a person with an appropriate financial delegation. For the avoidance of doubt, the financial delegation for the authorisation of the transaction may be allocated to a person other than the cardholder, depending on agency policy.

*Regular review*

Agencies are to implement and regularly review:

- card limits and/or delegations provided to cardholders, card supervisors and other administration personnel in the corporate card program, and practices for changing the limits on a card
- practices for the issue of new cards, the suspension or cancellation of card accounts, system user access, physical destruction of cancelled cards, and for managing cards at employee termination, temporary secondment and during Machinery of Government changes
- corporate card issue and usage levels, including reports generated from card suppliers and card management systems
- practices for securing corporate card details (i.e. card number, expiry date, name) embedded into procurement systems which are accessible by personnel other than the cardholder.

**Agency corporate cardholders must have clearly defined responsibilities**

Agencies must ensure that every **cardholder** accepts responsibility to:

- use the corporate card in line with these Treasurer's Guidelines, individual agency policies, the card provider's terms and conditions of card use, and the Code of Conduct for the Queensland Public Service
- only use the card within card transaction limits
- only undertake transactions that are within the cardholder's own financial delegation or that are pre-authorised in a form suitable to the agency by a person with an appropriate financial delegation
- use the corporate card with the awareness that unauthorised use of the card by an approved cardholder may attract penalties under the Criminal Code and in the event of an agency making a claim against the corporate card's insurance policy, the provider of the liability insurance reserves the right to legally pursue the individual cardholder
- keep the card, card details (including the 3- or 4-digit card security code) and personal identification number (PIN) secure at all times and ensure they are only used by the cardholder when conducting an authorised transaction
- regularly review the corporate card account or statement within or soon after the end of each monthly billing cycle for the presence of unauthorised transactions, which are to be disputed in accordance with agency practice
- reconcile and acquit card transactions at the earliest opportunity and at a minimum within timeframes set by the agency for the end of each monthly billing cycle
- retain valid documentation for all transactions i.e. tax invoices or other agency approved evidence.

**Agency card supervisors must have clearly defined responsibilities**

Agencies must ensure that every **card supervisor** accepts responsibility to:

- monitor and supervise the cardholder's use of the corporate card in line with these Treasurer's Guidelines, individual agency policies, the card provider's terms and conditions of card use, and the Code of Conduct for the Queensland Public Service
- monitor that all transactions are supported by appropriate valid documentation
- in the case of a cardholder without a financial delegation, review that every card transaction has supporting evidence, in a form suitable to the agency, that it has been authorised by a person with an appropriate financial delegation
- monitor that cardholder transactions are reconciled, acquitted and, if necessary, disputed on a monthly basis
- review and approve monthly cardholder transactions within timeframes set by the agency.

*Regular review*

Agencies are to implement and regularly review:

- corporate card roles and responsibilities for the governance, management and administration of the agency's corporate card program
- policy and practices for the timely reconciliation and acquittal of card transactions for each billing cycle to ensure transactions are reviewed and if necessary disputed within 60 days after the transaction date
- documentation and training in the relevant responsibilities to be performed by cardholders, card supervisors, systems users and other governance, management and administration personnel in the corporate card program
- the optional appointment and use of a verifying officer/s to meet the identification requirements of the card provider under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth).

**Agencies must investigate all non-compliance and corporate card fraud**

Agencies must document all breaches of these Treasurer's Guidelines, individual agency policies, the card provider's terms and conditions of card use, and the Code of Conduct for the Queensland Public Service in the context of corporate card use, and report these in a timely manner to the agency Chief Finance Officer (or equivalent position) and to the accountable officer for breaches by executive officers to determine whether disciplinary action, ongoing monitoring of the cardholder and/or other remedial action is appropriate.

Any deliberate misuse or unintentional/accidental misuse of corporate cards or corporate card details is deemed to be a breach of these Treasurer's Guidelines. Cardholders and card supervisors who allow unacquitted transactions to exceed 60 days after the transaction date are in breach of these Treasurer's Guidelines.

**Regular review**

Agencies are to implement and regularly review:

- practices for the monitoring, reporting and management of suspected and actual corporate card misuse by cardholders, card supervisors, systems users and other governance, management and administration personnel in the corporate card program. This may include:
  - direct methods of determining misuse, which are the responsibility of card supervisors as they monitor and supervise cardholder use
  - indirect methods, such as regular monitoring of card issuance and card registers, and frequent reviews of transactional activity for prohibited use, unusual merchants and unusual transaction timing or frequency or location
- practices for repayment of transactions resulting from unintentional misuse and the education of offending personnel to prevent reoccurrence
- practices for the monitoring, reporting and management of suspected and actual corporate card fraud including reporting to the corporate card service provider and the Queensland Police
- practices for the monitoring, reporting and management of cardholders and card supervisors that fail to ensure that transactions are reconciled, acquitted and approved within 60 days of the transaction date.

**Reference documents**

*Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)*  
*Financial Accountability Act 2009*  
*Financial and Performance Management Standard 2019*  
*Public Service Act 2008*  
 Code of Conduct for the Queensland Public Service  
 Queensland Procurement Policy