

Christchurch City Council Purchasing Card Policy

1. Policy Introduction

1.1 Purchasing Cards

The Christchurch City Council Purchasing Card (P Card) is issued to authorised Cardholders for purchasing low value goods and services on behalf of the Council.

The Council has implemented the use of P Cards with the objective of making it easier to do business through improved purchasing and approval procedures, thereby reducing the time and cost of acquiring goods and services.

1.2 Policy Purpose

This policy establishes the key principles and policies relating to the use of P Cards.

P-Card users are expected to understand this policy and to be familiar with all P-Card procedures and guidelines. (Add links to procedures & guidelines)

The policy is intended to provide a clear set of rules that must be followed when using a P Card, and to promote consistent management practices across the Council.

1.3 Policy Application

This policy applies equally to all holders of Council P Cards and designated approvers responsible for approving P Card transactions.

2. General Principles

2.1 Accountability and Transparency

The Council is accountable for the use of public money through all purchases, and must be able to give complete and accurate accounts of how public funds have been used. The Council regularly gets media/LGOIMA requests regarding P Card expenditure.

2.2 Compliance with Policies

When using P Cards, Council staff must comply with all other relevant Council policies, including but not limited to the Council's procurement policy, catering and entertainment guidelines, reward and recognition guidelines (Bravo), and the Employee Code of Conduct.

2.3 "One Up" Approval

All P Card transactions must be approved by a staff member's one up Manager, or designated approver.

When two or more Council representatives benefit from the use of a P Card (e.g. at a social function or booking a conference), payment must be made using the P Card of the most senior person involved - this is to avoid self-approvals.

2.4 Business Use and Personal Gain

Use of P Card's is limited to Business Use Only and must not be used for personal expenditure or benefit. Cardholders may not claim any personal benefits or rewards through use of P Cards. This includes personal insurance or reward points of any description, including fly buys.

2.5 Personal Responsibility

Staff members issued with P Cards are personally responsible for the use of the card, and for complying with policies.

This includes circumstances which may arise where a Cardholder authorises someone else to use their P Card. Cardholders who allow this to happen do so entirely at their own risk. The Cardholder will be held personally accountable and responsible for all transactions on their P Card regardless of the circumstances.

3. Using the P Card

3.1 Appropriate Use

Cardholders must comply with the above principles, and may use P Cards for the purchase of goods or services where:

- The purchase is for valid business purposes.
- The purchase is fit for purpose and represents value for money.
- No Council contract exists for the supply of the goods or services.
- The cardholder either is the budget-holder or has the budget-holder's permission to incur expense against that budget.

Cardholders must also acknowledge and adhere to the following:

- No claims for alcohol, including for reward and recognition and celebrations, are to be made through the P-Card. A test of reasonableness will apply to Council hosted events.
- No claims are to be made for parental leave celebrations / associated costs through the P-Card.
- No claims for lunches, morning teas and afternoon teas (including for meetings) will be funded by Council where Council staff are only in attendance.
- No claims for flowers are to be charged to a Council P-Card except in the case of a family bereavement or hospital stay exceeding three days in duration and where prior approval has been obtained directly from a "one-up" Manager.

3.2 Transaction and Credit Limits

The transaction limit for Cardholders is \$ 1,150 (including GST) - this transaction limit cannot be exceeded. A single purchase must NOT be split into multiple transactions to stay within this limit. Purchases exceeding \$1,150 need to be charged to a P Card with a higher transaction limit (e.g. Unit Manager). The credit limit for Cardholders is \$5,000 per month - Cardholders cannot spend over this monthly limit during each monthly billing and payment cycle. General and Unit Managers have a credit limit of \$10,000 per month with no transaction limit.

Exceptions to these limits will be considered at the time of application for the P Card, on the approval of the applicable General Manager. An increase of an existing card limit may be requested by completing a new P Card application form.

3.3 Security

Care must be taken when using the internet to make a P Card purchase. Cardholders must use all reasonable care to prevent fraudulent use of Council P Cards.

Cardholders must:

- Ensure any website used for purchasing is secure (https) and from a reputable source
- Not disclose credit card number and expiry dates over email
- Not disclose PIN number under any circumstances

Lost or stolen cards must be reported immediately to the BNZ and the P Card Administrator. Disputed transactions must be reported immediately to the P Card Administrator.

4. Administration and Approvals

4.1 General

The Council uses the online Spendvision system to track and manage P Card transactions.

4.2 Receipts

The Cardholder must retain a transaction receipt and a tax invoice for all purchases.

Cardholders must ensure that tax invoices include a GST number, the words "Tax Invoice" and details of the purchase.

4.3 Reconciliations

Purchases must be coded and verified by the Cardholder using Spendvision within 1 week of the statement period end date – this includes scanning images of all the tax invoices / receipts.

The coding of transactions may only be delegated when there are mitigating circumstances and with one up approval. The Cardholder remains responsible for the correct and timely coding and scanning of their transactions.

4.4 Approvals

All transactions must be approved by the one up manager or the designated approver within one week of being notified via Spendvision that these are transactions awaiting approval. The approver is accountable for validating that each transaction is legitimate and complies with Council policies.

5. Cardholder Responsibilities

5.1 General

The Cardholder is responsible for ensuring that the P Card is used in accordance with this policy and for complying with all associated procedures.

The Council may cancel the P Card at any time, and may require return of the card for any reason. Cardholders must hand their cards back to Council on request, or if they leave the organisation.

5.2 Misuse of P Cards

Cardholders may be subject to disciplinary action and the Council may require reimbursement if the Cardholder:

- Acts fraudulently
- Fails to notify the BNZ and P Card Administrator immediately after knowing the card has been misplaced or stolen
- Fails to comply in any way with the P Card Policy
- Uses the P Card for personal gain
- Fails to ensure all reasonable measures of security are taken when using the card
- Fails to provide a receipt or tax invoice for any transaction
- Fails to comply and adhere to other related policies