

**Submission
No 15**

**EXAMINATION OF THE AUDITOR GENERAL'S PERFORMANCE AUDIT
REPORTS JUNE - DECEMBER 2020**

Organisation: Junee Shire Council

Date Received: 11 October 2021

Public accounts Committee
 Parliament of NSW
 Macquarie Street, Sydney NSW 2000
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Dear Sir /Madam

Please find attached Junee Shire Council's response to your questions regarding the status of the implementation of recommendations from the Credit Card Performance Audit.

IMPLEMENTATION OF RECOMMENDATIONS

Junee Shire Council Credit card management in Local Government

	RECOMMENDATION	ACCEPTED OR REJECTED	ACTIONS TO BE TAKEN	DUE DATE	STATUS (completed, on track, delayed) and COMMENT	RESPONSIBILITY (Section of agency responsible for implementation)
1	Amend its Credit Card Policy to prevent cardholders from sharing	Accepted	Write new policy for adoption by Council	30 November 2021	Complete – Adopted 17 November 2020. The policy specifically prevents sharing of credit cards.	Chief Financial Officer
2a	Clarify Fuel Card management and procedures	Accepted	Write a policy for adoption which clarifies fuel card Management.	31 December 2021	Section 3.1 of the amended credit card usage policy clearly defines responsibilities for users of Fuel Cards. Council does not have many fuel cards and only three tied to vehicles with private use.	Chief Financial Officer

RECOMMENDATION		ACCEPTED OR REJECTED	ACTIONS TO BE TAKEN	DUE DATE	STATUS (completed, on track, delayed) and COMMENT	RESPONSIBILITY (Section of agency responsible for implementation)
					Council spent \$14,740 through fuel card purchases during the 2021 financial year	
2b	Clarify Store Card management and procedures	Accepted	Write a policy for adoption which clarifies store card Management.	31 December 2021	Section 3.2 of the amended credit card usage policy bans the use of store cards. Consequently, on the adoption of this policy Council's store cards were cancelled so that Council does not have any of these cards anymore.	Chief Financial Officer
3	Ensure that credit card management practices include:	Accepted	The only credit card is held by the CFO. Its limit is below his financial delegation.	31 December 2020	Complete	Chief Financial Officer
	<ul style="list-style-type: none"> • monitoring credit card limits in line with financial delegations 					
	<ul style="list-style-type: none"> • considering the use of credit card blocks 					
	<ul style="list-style-type: none"> • providing approvers with targeted guidance 					
		Accepted	Ensure that blocks are in place so that no cash advances are allowed for credit cards and that only fuel and lubricants can be purchased on fuel cards.	31 December 2020	Complete	Chief Financial Officer
		Accepted	The only credit card holder is the CFO and his transactions are authorised by the General Manager. He has clear guidance from the policy on what transactions should be approved and what should be disallowed.	31 December 2020	Complete	Chief Financial Officer
		Accepted	Ensure Complete and accurate records are kept by the General		Complete	

	RECOMMENDATION	ACCEPTED OR REJECTED	ACTIONS TO BE TAKEN	DUE DATE	STATUS (completed, on track, delayed) and COMMENT	RESPONSIBILITY (Section of agency responsible for implementation)
	<ul style="list-style-type: none"> maintaining complete and accurate records 		Manager's Administration Assistant.	31 December 2020		Chief Financial Officer
4	<p>Ensure that the reconciliation involves: Scrutinising business related purposes and incident details of transactions Keeping a record of the finance teams review of transactions Checking travel pre-approval forms</p> <p>Recording vehicle details and milage when credit cards are used in place of fuel cards.</p> <p>Checking that there are no split transactions</p>	<p>Accepted</p> <p>Accepted</p> <p>Accepted</p> <p>Accepted</p> <p>Accepted</p>	<p>Ensure that all transactions are business related</p> <p>All transactions are reviewed by the CFO and then by the General Manager</p> <p>The CFO checks that where the credit card is used to pay for travel that the travel has been approved by the person's supervisor.</p> <p>Accepted. This has not happened as the CFO has the only credit card and does not use it for fuel purchases. If this does happen all appropriate details will be recorded.</p> <p>The CFO is responsible for checking transactions on the card and ensures that no split transactions occur.</p>	<p>31 December 2020</p> <p>31 December 2020</p> <p>31 December 2020</p> <p>31 December 2020</p>	<p>Complete</p> <p>Complete</p> <p>Complete</p> <p>Complete</p> <p>Complete</p>	<p>Chief Financial Officer</p> <p>Chief Financial Officer</p> <p>Chief Financial Officer</p> <p>Chief Financial Officer</p> <p>Chief Financial Officer</p>
6	Ensure its Credit Card policy and procedures	Accepted	Council will ensure that the policy is reviewed every two years in June	30 June 2022	In Progress	Chief Financial Officer

