

TREASURER'S INSTRUCTION
FINANCIAL MANAGEMENT ACT 2016
TASMANIAN GOVERNMENT CARD

EFFECTIVE DATE

1 July 2019

SCOPE

This Treasurer's Instruction applies to all agencies listed in Column I of Schedule I, Part I in the *Financial Management Act 2016* unless otherwise exempted or provided for under the provisions of the Act.

APPLICATION

At all times.

OBJECTIVE

To prescribe a policy for the control and use of Tasmanian Government Cards.

INSTRUCTION**Interpretation and Definition**

- 9.1 **“Officer”** means a Tasmanian Government employee who is appointed to any office under a Tasmanian Act and who is employed by an Agency.
- 9.2 **“Tasmanian Government Card”** means a purchase card available for the purchase of generic goods and services for use by agencies, through a whole-of-government arrangement.
- 9.3 **“Cardholder”** means an Officer who has been issued with a Tasmanian Government Card.

Use of the Tasmanian Government Card

9.4 The Tasmanian Government Card must be used by cardholders where it is the most cost effective and efficient mode of payment for procurement, including travel.

9.5 Use of the Tasmanian Government Card is mandatory for all applicable payments under \$1 000.

The Accountable Authority must identify and document appropriate applicable payments for payment by the Tasmanian Government Card within the Agency.

9.6 The Tasmanian Government Card must not be used for interagency payments other than where, after taking into account the merchant fee, the overall administrative cost to both parties in making small value interdepartmental payments by the Tasmanian Government Card is less than the costs of direct credit processing, invoicing and receipting.

9.7 The Tasmanian Government Card must not be used for the following payments or in the following circumstances:

9.7.1 for personal transactions, even if it is the Cardholder's intention to immediately reimburse the private expenses;

9.7.2 to make cash withdrawals;

9.7.3 for hospitality or entertainment expenses, except where authorised (refer to paragraph 9.10);

9.7.4 to pay for alcohol, including with a meal or for an official function;

9.7.5 to purchase personal refreshments (tea, coffee, water etc) while travelling that are not associated with a meal (breakfast, lunch or dinner);

9.7.6 to purchase personal refreshments (tea, coffee, water etc) while not travelling;

9.7.7 to purchase gifts of a personal nature;

9.7.8 to purchase fuel;

9.7.9 for the payment of fines;

9.7.10 for the payment of medical expenses associated with work related injuries and illness which are required to be paid through the workers compensation process;

9.7.11 for the payment of tips and gratuities (except while travelling in countries where it is considered to be an unavoidable expense due to the cultural expectations of such payments);

9.7.12 for gift vouchers for any purpose;

9.7.13 where an alternative purchasing method provides greater efficiency;

9.7.14 for the payment of invoices, correctly rendered by suppliers, after the due date for payment; and

9.7.15 where payment has already been made or initiated for the transaction.

- 9.8 A Cardholder must, within five working days after becoming aware that he or she has incorrectly used a Tasmanian Government Card for a personal purpose:
- 9.8.1 give written notice to the Accountable Authority in accordance with the Agency's Tasmanian Government Card Policy; and
 - 9.8.2 pay to the Agency the amount of the incorrect expenditure.
- 9.9 The Tasmanian Government Card must not be linked to online accounts held with alternative payment providers unless the Accountable Authority determines that there is no other available payment option.

Entertainment

- 9.10 The Accountable Authority must seek the approval of the Secretary of the Department of Treasury and Finance for a Cardholder to use a Tasmanian Government Card to incur entertainment expenses.
- 9.11 Only the Accountable Authority or an Officer at Senior Executive Service level or equivalent can be authorised by the Secretary of the Department of Treasury and Finance to use the Tasmanian Government Card to incur entertainment expenses on official business.
- 9.12 The Accountable Authority or Cardholder must not delegate an authorisation to use the Tasmanian Government Card to incur entertainment expenditure to another Cardholder.
- 9.13 Where a Cardholder who is authorised to use the Tasmanian Government Card to incur entertainment expenses moves to a different Agency, the authorisation will cease.
- 9.14 Authorisation to use a Tasmanian Government Card for entertainment purposes can not be gained by including an authorisation statement in a contract of employment.
- 9.15 Each purchase for entertainment purposes using the Tasmanian Government Card must be authorised at Deputy Secretary or the Accountable Authority level.

Issue of the Tasmanian Government Card

- 9.16 The Accountable Authority must ensure that:
- 9.16.1 Tasmanian Government Cards are only issued to officers of the Agency;
 - 9.16.2 only one Tasmanian Government Card is issued to each Officer approved as a Cardholder; and
 - 9.16.3 a record is maintained of each Cardholder, showing sufficient information to allow an effective level of internal control to be exercised in respect of that Cardholder.
- 9.17 A Cardholder must not allow any other person to use their Tasmanian Government Card.
- 9.18 The Accountable Authority must determine an upper limit for any single transaction for each Cardholder and a monthly card limit for each Cardholder.

- 9.19 The Accountable Authority may, on a case by case basis, approve an increase of the upper limit of a single transaction to \$10 000 for domestic travel by the Accountable Authority or officers at the Senior Executive Service level or equivalent, or \$20 000 for overseas travel by the Accountable Authority or officers at the Senior Executive Service level or equivalent.
- 9.20 A Cardholder must not split purchases to negate transactional and monthly card limits.
- 9.21 Each Cardholder is to sign an “Agreement and Acknowledgment by Cardholder”, which details appropriate responsibilities and limits on the use of the Tasmanian Government Card.
- 9.22 The “Agreement and Acknowledgement by Cardholder” is to be signed prior to the Tasmanian Government Card being issued.

Agency Policy for the Tasmanian Government Card

- 9.23 The Accountable Authority must ensure that effective internal controls are maintained over the use of the Tasmanian Government Card.
- 9.24 The Accountable Authority must ensure that a Tasmanian Government Card Policy is developed for the Agency.
- 9.25 The Accountable Authority must approve the Agency’s Tasmanian Government Card Policy.
- 9.26 The Accountable Authority must ensure that the Agency’s Tasmanian Government Card Policy is reviewed, and where required updated, on an annual basis.
- 9.27 The Cardholder must obtain and retain appropriate supporting documentation in relation to each transaction.
- 9.28 Tasmanian Government Card transactions must be authorised for reimbursement to the service provider by an Officer with appropriate authority.
- 9.29 The Accountable Authority must ensure that a Tasmanian Government Card is cancelled when the Cardholder leaves the Agency or it is determined that the Cardholder should no longer have use of the Tasmanian Government Card.

ADDITIONAL GUIDANCE

Further information in support of this Treasurer’s Instruction can be found in the *Financial Management - Better Practice Guidelines*.