



FOLKETINGET
STATSREVISORERNE



FOLKETINGET
RIGSREVISIONEN

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**Extract from Rigsrevisionen's report
submitted to the Public Accounts Committee**

The ministries' administration of credit cards

1. Introduction and conclusion

1.1. Purpose and conclusion

1. This report concerns the Danish ministries' administration of the use of credit cards issued to ministers and staff in the years 2015 - 2022.

Government ministers, managers and staff (in the following referred to as staff) can be authorised to use credit cards if it is considered occupationally relevant and they, for instance, have a job that involves much travelling where using a credit card to cover expenses is practical. However, ministers and staff need to observe a number of rules concerning their use of government credit cards.

2. Rigsrevisionen launched the study in September 2022 at the request of the Danish Public Accounts Committee. The study is based on current guidelines on the use of credit cards.

3. The request of the Danish Public Accounts Committee concerns ministers' and staff's use of credit cards. However, the current guidelines on using credit cards address the ministries' administration of credit cards. In the study, Rigsrevisionen, therefore, assesses the ministries' administration relating to ministers' and staff's use of credit cards.

4. The purpose of the study is to assess whether government ministers and staff who have had access to a credit card in the years 2015-2022 have used the card in compliance with the guidelines.



Main conclusion

The ministries have generally managed credit cards issued to ministers and staff in compliance with the guidelines in the years 2015-2022. However, Rigsrevisionen does not consider it entirely satisfactory that the Ministry of Foreign Affairs, the Ministry of Defence and the Ministry of Transport have failed to request documentation for minor personal expenses incurred in connection with official journeys. The ministries are, therefore, unable to check whether these expenses fall within the scope of application for credit cards outlined in the credit card policy.

Generally, the ministries manage credit cards in compliance with the guidelines

The study shows that the ministers have used their credit cards in compliance with the guidelines in 363 (approx. 93%) credit card transactions out of 392. The study also found that 320 (approx. 87%) of 368 credit card transactions carried out by staff and included in the sample reviewed by Rigsrevisionen complied with the guidelines.

The transactions affected by errors did not meet the documentation requirements and/or fell outside the scope of application defined in the credit card policy and the authorisation issued to the individual credit card holder.

The ministries do not consistently ensure that the ministers and staff know how they may use their credit cards

Rigsrevisionen does not find it entirely satisfactory that the ministries do not consistently ensure that the ministers and staff know how they may use their credit cards. Therefore, the ministers and staff may unwittingly make an unauthorised purchase with their cards.

The study found that neither the Ministry of Foreign Affairs, the Ministry of Defence or the Ministry of Transport request documentation for minor personal expenses incurred by staff on official journeys when the ministry is reimbursed for such expenses in connection with staff's subsequent settlement of travel expenses. This means that the ministries are not able to check whether expenses charged to the cards fall within the scope of the application outlined in the credit card policy. The three ministries have informed Rigsrevisionen that they have noted Rigsrevisionen's comments.

The study also shows that authorisations were missing for seven (approx. 39%) of the 18 ministers that had a government credit card during the period under review. Equally, authorisations were missing for 23 (approx. 6%) of the 363 members of staff included in Rigsrevisionen's sample. Additionally, the study found that some authorisations did not specify the restrictions applying to individual credit cards. Rigsrevisionen found examples of authorisations that duplicated the scope of application of credit cards in the credit card policy in its entirety.

Rigsrevisionen finds that the ministries should consider the work tasks that the ministers and staff are required to perform and, in the authorisations, limit the use of the credit cards accordingly. The ministers and staff can only be expected to be familiar with the content of the authorisations, not with the underlying regulations like the credit card policy or the accounting instructions issued by the ministry.

Credit cards have been issued to approx. every four minister and close to every third member of staff

Credit cards are generally issued to ministers to cover travelling expenses incurred when the minister is not accompanied by a member of staff who can pay for taxis and ferry tickets, for instance. The study shows that the Ministry of Foreign Affairs and the Ministry of Defence have been more inclined than other ministries to issue credit cards to their ministers. Twelve ministries have not issued credit cards to their ministers in the period under review.

The ministries have managed an average of approx. 20,000 government credit cards every year. Compared to number of staff employed, the Ministry of Foreign Affairs, the Ministry of Climate, Energy and Utilities and the Ministry of Industry, Business and Financial Affairs have issued more credit cards than the other institutions.