NORTHEAST OHIO AREAWIDE COORDINATING AGENCY

MEMORANDUM

TO: NOACA Board of Directors
FROM: Grace Gallucci, Executive Director
DATE: March 1, 2019
RE: Resolution 2019-012; NOACA Credit Card Policy

ACTION REQUESTED
The Board of Directors is asked to approve the draft NOACA Credit Card Policy.

The Finance and Audit Committee recommended this action.

BACKGROUND/JUSTIFICATION FOR CURRENT ACTION
The state legislature passed House Bill 312 in November of 2018 to regulate the use of credit and debit cards by political subdivisions. This law was passed in response to the lack of consistent controls regarding card usage by local governments.

The proposed policy formalizes procedures that are already in place in a manner that is consistent with the new state law. Highlights are as follows:
- The account is authorized by the Executive Director
- Current limit is $20,000
- 2 cards – Director of Administrative Services and Comptroller
- Debit cards are not permitted
- Authorized users can sign out for one business day
- Permissible uses are prepaid travel, workshops and memberships, other prepaid items
- Detailed and signed receipts must be provided
- No personal use

FINANCIAL IMPACT
There is no financial impact for this decision.

CONCLUSION/NEXT STEPS
With Board approval, the policy will be implemented.

GG/bg/3048b
NOACA CREDIT CARD POLICY

March 8, 2019

1. This policy applies to all (i) payment cards, checks or other payment instruments associated with a credit account issued by a financial institution or a retailer, and (ii) payment cards related to the receipt of grant funds. All such cards and instruments are referred to herein as “credit cards”.

2. This policy does not apply to procurement cards (P-cards) or to gas cards or other payment cards that are capable of use only for the purchase of certain limited types of goods.

3. The Agency will not obtain or maintain any debit cards.

4. The Comptroller will work with the appropriate financial institutions that issue credit cards to determine the best type of credit card accounts for the Agency, and also to determine which, if any, store credit card accounts the agency will utilize upon authorization by the Executive Director.
   a. The Comptroller is responsible for working with the issuing financial institution to facilitate the reissuance of replacement cards upon expiration of the credit cards.
   b. The Comptroller in consultation with the Executive Director will determine when it’s necessary to cancel a credit card account or adjust the credit limits on the credit cards.
   c. The Comptroller is responsible for notifying the issuing financial institution of a lost or stolen card.

5. Credit cards will be established in the name of the Northeast Ohio Areawide Coordinating Agency or NOACA and the specific name of an individual with a maximum credit limit for each set by the Agency.

6. Credit cards are currently issued to:
   a. Director of Administrative Services with a credit limit up to $15,000
   b. Comptroller with a credit limit up to $15,000
   c. With a combined credit limit of $20,000

7. Credit cards may be signed out by the following employees from the Accounting office once a purchase order for the acquisition has been approved (except in the case of an emergency):
   a. Directors
   b. Managers
   c. Senior Communications and Administrative Specialists

8. Credit cards must be returned to the Accounting office within one business day.

9. Use of the credit card is based on the employee’s acknowledgement that they have read and pledge to comply with this policy.

10. For each purchase made using a credit card, an itemized receipt indicating the amount paid, the vendor, the goods/services purchased and a signature authorizing approval for payment must be submitted to the Comptroller promptly following the purchase.
11. Allowable purchases via the credit card include only those types of expenses that are for the benefit of the Agency that serve a valid and proper public purpose that is consistent with the budget. Credit cards will primarily be used for travel expenses to conferences and workshops, memberships and professional dues, and any other items that require pre-payment.

12. Use of the credit card for personal expenditures, for expenditures in excess of the applicable credit limit, or otherwise in violation of this policy constitutes a misuse of the credit card. Any Agency employee engaged in the misuse of the credit card will be responsible to reimburse the Agency for any unauthorized expenditures and may be subject to disciplinary action.

13. The Agency is exempt from sales tax, and all reasonable efforts should be made to ensure that sales tax is not charged by vendors in connection with purchases made via credit card. A tax exemption certificate is available in the Accounting office.

14. The Comptroller must file a report with the Board of Directors detailing all rewards received based on the use of the Agency's credit card account.
RESOLUTION NO. 2019-012  
(NOACA Credit Card Policy)

RESOLUTION OF THE BOARD OF DIRECTORS 
OF THE 
NORTHEAST OHIO AREAWIDE COORDINATING AGENCY

WHEREAS, the Northeast Ohio Areawide Coordinating Agency (NOACA) is the Metropolitan Planning Organization (MPO) for the counties of Cuyahoga, Geauga, Lake, Lorain, and Medina, and the City of Cleveland; and the areawide water quality management agency for the same region; and

WHEREAS, the state legislature passed House Bill 312 in November of 2018 to regulate the use of debit and credit cards by political subdivisions in response to the lack of consistent controls statewide;

WHEREAS, the laws require a number of provisions that should be present in the policies of local governments that use credit cards;

WHEREAS, NOACA’s unwritten procedures have been generally consistent with such requirements;

WHEREAS, a draft NOACA Credit Card Policy was written to formalize those policies and procedures as required under the state law;

WHEREAS, the policy addresses who can authorize the accounts, who can use the cards, whose name is on the cards, the permissible uses for the cards and what qualifies as adequate back-up to purchases;

WHEREAS, per state law, the policy does not permit the use of debit cards;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Northeast Ohio Areawide Coordinating Agency, consisting of forty-five principal officials serving general purpose local governments throughout and within the counties of Cuyahoga, Geauga, Lake, Lorain, and Medina that:

Section 1. The draft NOACA Credit Card Policy that adheres to the various provisions of the Ohio Revised Code as described in the attached document, is hereby approved.

Certified to be a true copy of a Resolution of the Northeast Ohio Areawide Coordinating Agency Board of Directors adopted this 8th day of March 2019.

Secretary: [Signature]

Date Signed: 3-8-2019