



**Item #15-10-12
Consent**

SACOG Board of Directors

October 22, 2015

Approve Credit Card Use Policy

Issue: Should SACOG revise its Credit Card Use Policy?

Recommendation: The Government Relations & Public Affairs Committee recommends that the SACOG Board of Directors adopt the revised Credit Card Use Policy.

Committee Action/Discussion: In 2013, the SACOG Board adopted a revised Credit Card Policy. After reviewing internal procedures, staff believes that revisions to the procedures for credit card use are warranted to provide more stringent financial controls and prevent fraud. Staff is proposing issuing virtual credit cards to staff who currently make purchases using the Chief Operating Officer's credit card.

Attached is the proposed revised Credit Card Use Policy. The primary changes from the existing policy are: 1) virtual credit card numbers will be issued to three administrative staff who currently make purchases using the Chief Operating Officer's card; 2) staff with access to credit card information will sign a credit card access agreement; and 3) Manager of Policy and Administration will be responsible for oversight of credit cards.

Approved by:

Mike McKeever
Chief Executive Officer

MM:EJ:ts
Attachment

Key Staff: Erik Johnson, Manager of Policy and Administration, (916) 340-6247
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<i>SACOG Policy/Procedure:</i>	<i>Original Issue Date: 11/14/13</i>
Credit Card Use	<i>Revision History: 10/29/15</i>

It is the policy of the Sacramento Area Council of Governments (“SACOG”) to allow the use of credit cards for certain business expenses, as outlined below.

There are two physical credit cards issued to SACOG, one issued to the Chief Executive Officer (“CEO”) for his/her use in conducting business on behalf of SACOG, and one issued to the Chief Operating Officer (COO) for purchases related to SACOG operations. There are also virtual credit cards issued to administrative staff designated by the COO to make authorized purchases on behalf of other employees.

The CEO and COO shall submit detailed receipts for allowable purchases, as outlined below. All other employees shall complete a purchase form with a valid authorization, as outlined in SACOG’s policies and procedures. Only after a purchase form is signed shall an authorized user make a purchase. Under no circumstances shall any employee have access to the credit card unless approved by the COO.

Approved uses for SACOG credit cards:

- Office supplies.
- Publications.
- Professional association memberships.
- Meal and incidental expenses incurred during authorized travel.
- Travel costs (transportation, lodging, conference registration).
- Meals for SACOG business, such as staff and Board meetings.

Expenditure Limits:

- Authorized travel expenses cannot exceed the amounts set forth in SACOG’s Travel Policy.
- Expenditures for meals must conform to SACOG’s Travel Policy.

The credit card may not be used for:

- Personal purchases. Absolutely no personal use of the card is allowed.
- Cash advances or money orders.
- Gasoline for any personal vehicle.
- Alcoholic beverages.
- Any purchase that violates SACOG’s Contract and Purchasing Procedures, as adopted by the Board of Directors.

The Manager of Policy and Administration is responsible for oversight of credit cards. The Manager of Policy and Administration shall maintain a current list of the SACOG

credit cards issued, including photocopies of the cards, the credit limit established for each, the dates issued, and the dates returned. All employees with access to a physical or virtual card shall sign an agreement acknowledging this policy and their responsibilities, including card security.

Each employee issued a physical or virtual card is responsible for keeping a log of all purchases, including signed purchase forms and detailed receipts. The COO will designate an employee to reconcile all purchases and submit payment. The Manager of Policy and Administration shall perform internal oversight of the card program, including reviewing each credit card statement as soon as possible to ensure that transactions comply with this policy. Any undocumented transactions appearing on a statement shall be immediately investigated by the Manager of Policy and Administration. The CEO, COO or employee responsible for the transaction is also responsible to resolve any issue relating to erroneous charges, returns, or adjustments to ensure proper credit is given on subsequent statements.

The balance, including interest due on an extension of credit under the credit card arrangement, shall be paid for within 60 days of the initial statement date.

Personal use or any other unauthorized use of SACOG issued credit cards is prohibited. Employees who use a SACOG issued credit card in a manner contrary to this policy shall promptly reimburse SACOG for the unauthorized purchases and shall also be subject to disciplinary action, up to and including termination of employment, and criminal action if warranted.

Personal Credit Card Use:

Employees are discouraged from using personal credit cards to purchase goods, services, refreshments for SACOG meetings and functions, and other purposes, and subsequently requesting reimbursement. This option should be the course of last resort and should occur only after the Manager of Policy and Administration, the CEO, or COO has granted permission.

Employees who wish to use a personal credit card for travel costs must first have a completed travel authorization. Employees must follow all provisions of the Travel Policy. Employees are personally responsible for any purchases not in compliance with the Travel Policy.