

**AGENDA**  
**Hampton Roads Transportation Accountability Commission (HRTAC)**  
**Finance Committee Meeting – October 13, 2015**

**1:00 p.m.**

Conference Room D, 723 Woodlake Drive, Chesapeake, VA 23320

- 1. Call to Order**
- 2. Approval of Agenda**
  - *Recommended Action: Approval*
- 3. Public Comment Period**
  - *Limit 5 minutes per individual*
- 4. Chair's Comments**
- 5. Action Item**
  - *Recommended Action: Discussion/Endorsement/Request/Recommendation*
  - A. Recommendation of the Interim Policies for Management of Cash, Bank Accounts and Credit and Debit Cards (Attachment 5A)**
- 6. Bond Counsel Request for Proposals**
  - A. Discussion or Consideration of Competing Proposals - Closed Session**

**Adjournment**

**Agenda Item 5-A**  
**Action Item**

**To: Chair Wagner and the other members of the HRTAC Finance Committee**

**From: Kevin B. Page, Executive Director**

**Date: October 13, 2015**

**Re: Interim Policies for Management of Cash, Bank Accounts and Credit and Debit Cards**

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**Recommendation:**

The Finance Committee is asked to endorse and recommend to the Commission the proposed Interim Policies for Management of Cash, Bank Accounts and Credit and Debit Cards.

**Background:**

As a part of standing up the Commission, the Commission has charged the Finance Committee with creating and recommending the adoption of certain policies and procedures to guide the Commission's operations and business practices. HRTAC Counsel and staff have worked with the Executive Director to develop the proposed, "Interim Policies for Management of Cash, Bank Accounts and Credit and Debit Cards." This draft policy was developed with the input of the Finance Committee given at its October 6, 2015 meeting. The Finance Committee will be briefed on the proposed Interim Policies for Management of Cash, Bank Accounts and Credit and Debit Cards. Following this presentation and discussion, the Finance Committee will consider endorsing the proposed policy and recommending the policy to the Commission for approval and adoption.

**Fiscal Impact:**

There is no fiscal impact in relation to this Action Item.

**Suggested Motion:**

Motion is to endorse the Interim Policies for Management of Cash, Bank Accounts and Credit and Debit Cards, and to recommend the policy to the Commission for approval and adoption.



## **INTERIM POLICIES FOR MANAGEMENT OF CASH, BANK ACCOUNTS, AND CREDIT AND DEBIT CARDS**

### **Purpose of Policies**

The Hampton Roads Transportation Accountability Commission (the “Commission” or “HRTAC”) recognizes that as its operations develop it will engage in an increasing number of business transactions that will necessitate payments to and from the Commission’s bank accounts or against credit or debit cards. These policies are adopted on an interim basis to ensure that those transactions are processed within a framework of internal controls, proper accounting and transparency.

### **A. Policies Regarding Transactions Effected Against Commission Bank Accounts**

1. Bank accounts and relationships with investment institutions must be authorized and established pursuant to resolutions adopted from time to time by the Commission.
2. All cash, checks and other payments received by the Commission shall be recorded in the Commission’s books and records and deposited into a Commission bank account, which deposit in the case of cash or checks should be made within 24 business hours of receipt.
3. Transfers between Commission bank accounts or from an operating account into an investment account must be effected by the CFO or his or her designee, provided that such person is acting in accordance with written instructions (which may be given electronically) from the Chair (or Vice Chair) of the Finance Committee and the Executive Director. (For the avoidance of doubt, investments shall be effected in accordance with the Commission’s investment policies.)
4. No cash withdrawals are permitted from any Commission bank account.
5. No Commission check may be made payable to “cash” or “bearer.”
6. Commission checks must be kept in a secure location and executed in accordance with the Commission’s Bylaws and applicable resolutions, which presently require dual signatures. When made, checks shall be copied and recorded in the Commission’s books and records, including its check ledger.
7. Wire transfers from Commission accounts must be effected by the CFO or his or her designee, provided that such person is acting in accordance with written instructions (which may be given electronically) from the Chair (or Vice Chair) of the Finance Committee and the Executive Director. Each authorized person shall keep his or her authorization codes in a secure location.
8. Electronic funds transfers, using the Automated Clearing House (“ACH”) network, such as direct debit payments, may be made from the Commission’s bank accounts, subject to the following:

- (a) ACH transfers/direct debit payments shall be used solely for the following:
- Employee payroll
  - Treasury payments of payroll-related taxes
  - Employee expense reimbursements which have been duly approved
  - Recurring monthly payment obligations of the Commission, such as rent and utilities, that are contemplated by the Commission's operating budget.

For the avoidance of doubt, an ACH transfer/direct debit shall not under any circumstance be used to pay any personal charge of any employee.

- (b) All ACH transfers/direct debit payments must be implemented/effected by the CFO or his or her designee, provided that such person is acting in accordance with written instructions (which may be given electronically) from the Chair (or Vice Chair) of the Finance Committee and the Executive Director.
- (c) All ACH transfers/direct debit payments will be tracked through the monthly bank statements and reconciled to the Quick Books transactions.

**B. Purchase Card Policy**

1. This Policy applies to any and all debit cards and credit cards (each, a "Purchase Card") issued in respect of the Commission or its accounts and is adopted to provide the Commission's members, officers and employees direction regarding the authorized uses of such Purchase Cards and the steps that must be followed to issue and monitor them.
2. The Executive Director shall be authorized to obtain one credit card in the name of the Commission, which credit card shall have an aggregate monthly transaction limit of \$15,000, and a single purchase limit of \$2,000. The purpose of obtaining a credit card is to facilitate transactions effected on behalf of the Commission, not to utilize a line of credit.
3. The Executive Director is also authorized to obtain debit cards, provided that there shall not be more than three debit cards issued and outstanding from time to time and the maximum available funds under each such card shall be \$1,000.
4. Purchase Cards (credit and debit) shall be used by authorized Commission officers or employees solely to pay for small purchases made in accordance with the Commission's small purchases procedures. At no time may any Purchase Card be used for any type of personal charge. See below for illustrative "Authorized Uses" and "Unauthorized Uses."
5. Illustrative authorized uses of Purchase Card(s) include the following:
  - (a) Travel costs:
    - Airfare
    - Lodging
    - Shuttle service
    - Rental vehicles

- Gasoline for rental vehicles
- Gasoline for personal vehicles when used and documented usage is for official Commission business.

(b) Purchases:

- Meals
- Office supplies
- Express mail service and freight service

6. Illustrative unauthorized uses of Purchase Card(s) include the following:

- Personal meals
- Personal telephone usage and movie rentals included in lodging bills associated with official business purposes
- Cash advances
- Purchases by persons who are not officers, members or employees of the Commission
- Purchases prohibited by the Virginia Public Procurement Act or applicable Commission policies
- Purchases in which one or more users of a Purchase Card break a purchase of the same or related goods or services into multiple purchases to circumvent the usage limits or other limitations described herein or any other applicable Commission policy

7. All charges will be billed directly to the Commission, reconciled and paid, or disputed, monthly. Purchase logs must be maintained as each purchase is made. A new purchase log must be established at the beginning of each new billing cycle. The cardholder is responsible for retaining documentation of purchases and returns and reconciling them, with the aid of the purchasing log, to the monthly charge card statement. At the end of the billing cycle, the cardholder shall deliver the documentation to the CFO together with a written certification that the goods and services identified therein were purchased in accordance with this policy.

8. Prior to issuance and usage of a Purchase Card, each authorized person shall be required to read and sign the statement below regarding the use of a Purchase Card:

*The use of Commission issued debit/credit cards (a "Purchase Card") is an important privilege that is intended to facilitate business by the Commission. Adherence to the Commission's Purchase Card Policy is vital in ensuring not only the continuation of this privilege, but also in ensuring that neither you nor the Commission is subjected to financial hardship or public criticism.*

*I, (Name of Certifying Person), have read and understand the Commission's Purchase Card Policy. I agree to abide by all provisions of the Purchase Card Policy, and understand that violations of the Policy could result in legal or disciplinary actions, including termination.*

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*Signature*

\_\_\_\_\_  
*Date*

DRAFT