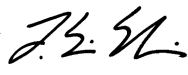




NEW YORK CITY  
HOUSING DEVELOPMENT  
CORPORATION

## MEMORANDUM

**To:** The Chairperson and Members

**From:** Eric Enderlin   
President

**Date:** September 28, 2021

**Re:** Ratification of Corporate Credit Card Policy

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The Corporation is seeking the Members' approval of the adoption of a corporate credit card policy. The main purpose of the policy is to eliminate the financial burden on HDC staff who currently use their personal credit cards during HDC business related travel.

As described in the attached Corporate Credit Card Policy (Attachment A), significant controls will be in place to ensure the proper use of the corporate credit card.

HDC will designate a small number of executives and two executive assistants to have the credit card information. Prior written approval in the form of a completed Corporate Credit Card Transaction Request Form will be required for any HDC employee to use the corporate credit card.

All travel arrangements will be centralized and made by the executive assistants. The Corporation intends to use a travel coordinator in order to ensure the best rates. HDC staff further believe that centralized travel administration will be more efficient and provide strong oversight, transparency and monitoring of credit card use.

HDC's proposed Corporate Credit Card Policy is in compliance with the New York City Department of Investigation ("DOI") Citywide Recommendations regarding credit cards distributed to agencies on March 20, 2018.

Since the adoption by the HDC Board of a Policies and Procedures Recommendations Memo in 2003 that addressed certain policy and procedural changes designed to assure oversight of the expenditures of the Corporation, the Corporation's Internal Audit department has annually audited petty cash, personal expense reimbursements and the President's office expenses. Internal audit findings in the years subsequent to the adoption of the Policies and Procedures Recommendations have been clean, and one of the recommendations in recent years has been to institute a corporate credit card policy to enhance transparency and oversight of employee expenses.

HDC's Corporate Credit Card Policy will be presented to the Audit Committee prior to the HDC Board meeting. If approved by the Audit Committee Members, HDC Board Members will be requested to ratify the adoption of the Corporate Credit Card policy. If any changes to the Corporate Credit Card Policy are deemed necessary in the future, HDC staff will bring those changes to the HDC Audit Committee.

**Action by Members**

If adopted by the Audit Committee, the Members are requested to ratify the Audit Committee's adoption of the attached Corporate Credit Card policy.

**(Attachment A)**

Corporate Credit Card Policy



## **CORPORATE CREDIT CARD POLICY**

### **Purpose**

HDC employees may require the use of a corporate credit card to pay for business-related expenses. The purpose of this policy is to detail controls and procedures to be followed for the appropriate use of the corporate credit card.

### **Eligible Employees**

HDC will designate the following staff to have access to the corporate credit card:

- President
- Executive Vice President
- Senior Vice President-Treasurer
- Chief of Staff
- Executive Assistants to the President

The above-referenced designated staff who have access to the corporate credit card will not share any sensitive information related to the corporate credit card, including the credit card number and any other identifying information. If/when any of the above staff were to leave HDC's employment, the staff member will surrender any information related to the corporate credit card back to the Senior Vice President-Treasurer. The above-referenced staff shall sign an acknowledgement that they have received and reviewed the Corporate Credit Card Policy.

### **Approvals for Use**

Any HDC employee who wishes to make a charge on the corporate credit card will need to obtain prior written approval by completing the Corporate Credit Card Transaction Request Form.

### **Eligible Uses**

- **Purchasing**: HDC's Purchasing Procedures outline the protocols that must be followed when purchasing goods and services related to the engagement of HDC's business. The use of the HDC corporate credit card is allowed after the Corporate Credit Card Transaction Request Form has been completed and all proper approvals have been obtained. The corporate credit card should only be used when a credit card is the only form of payment accepted by the vendor, or if the time sensitive nature of the expense requires the use of a corporate credit card.
- **Travel**: For the booking of conference fees, travel, lodging, and other business-related travel expenses, the approval hierarchy must be followed and obtained by completing the HDC Out-of-Town Travel Approval Request Form. All travel arrangements must be made by the Executive Assistants to the President through the HDC-approved travel coordination vendor.

***\*Personal expenses and cash advances are strictly prohibited.***

Separation of Duties & Approvals: As articulated above, all charges will typically be approved through HDC's customary approval hierarchy, or by the President and SVP-Treasurer. To ensure separation of duties and approvals for charges made by the President and SVP-Treasurer:

- Any charges made by the President, must be approved by the SVP-Treasurer and the Executive Vice President
- Any charges made by the SVP-Treasurer must be approved by the President and the Executive Vice President

### **Monitoring and Approvals**

Designated personnel in HDC's Accounting division will monitor and review all corporate credit card activity. This will include the following reviews and monitoring activity:

- Review each transaction to ensure that all proper approvals have been received for each charge to the corporate credit card (including receipts, invoices, and completion of the Corporate Credit Card Transaction Form and/or the Out-of-Town Travel Approval Request Form)
- Review each transaction to ensure that all charges have been allocated to the appropriate budget codes and accounts
- Monthly review of the corporate credit card statement to check for accuracy
- Set up and monitor the corporate credit card provider settings to enable provider alerts to the SVP-Treasurer and the VP-Controller for any charges over \$1,000, or to be notified of any suspicious transactions or activity.