

## Substitute HB 312 Summary as pending in the Senate Government Oversight and Reform Committee

- School districts required to adopt a board policy if using credit cards [accounts]. The policy must include:
  - Staff positions that are authorized to use credit cards
  - Types of expenses for which the credit card can be used
  - The procedure for acquiring and managing credit cards
  - The procedure for issuing, reissuing and cancelling credit cards
  - Process for reporting lost and stolen credit cards
  - The card's maximum credit limit or limits
  - The actions or omissions that qualify as "misuse" of a credit card
- For purposes of the bill, the term credit card account means the following:
  - Bank-issued credit card account
  - Store-issued credit card account
  - Financial institution-issued credit card account
  - Financial depository-issued credit card account
  - Affinity credit card account, or
  - Any other card account allowing the holder to purchase goods or services on credit or otherwise transact with the account, and
  - Any debit or gift card account related to the receipt of grant moneys
- The term expressly excludes (the bill's requirements do not apply):
  - Any procurement card account,
  - Gasoline credit card account
  - Telephone credit card account, or
  - Any other card account where merchant category codes are in place as a system of control for use of the account.
- Requires the school district name to appear on the credit cards
- The bill bans the use of Debit Cards
- The bill specifies that anyone knowingly misusing a credit card for expenses beyond those authorized in the board policy is committing a crime of misuse of a credit card
- Districts would need to report annually to the board of education, the credit card rewards earned by the district

### Compliance Officer Model

- If district staff members (other than the treasurer) carry credit cards, districts must appoint a Compliance Officer to review every six months:
  - The number of credit cards
  - Number of active credit cards
  - Card's expiration dates
  - Card's credit limits
- Compliance officer cannot be the treasurer/CFO
- Compliance officer cannot use a credit card\*

\*Exception ~ if the superintendent is the Compliance Officer, he/she can carry a credit card but the fiscal officer (or their designee) must review the credit card bill for the superintendent monthly

### Care, Custody and Control Model

- This is when the treasurer/CFO has custody of the credit cards and signs them out on an as-needed basis
- The employee using the card must provide an itemized receipt or be responsible for paying for the expense