

**ORDINANCE NO. 2019-3**

**AN ORDINANCE REPEALING AND REPLACING ORDINANCE 2016-28 OF THE  
CODIFIED ORDINANCES OF THE VILLAGE OF BELMONT, BELMONT COUNTY  
OHIO**

**WHEREAS, Ohio House Bill 312 Amended the regulation and use of credit and debit cards by political subdivisions;**

**WHEREAS, Council understands that the current credit use policy adopted by Council in Ordinance 2016-28 is not in compliance with the new requirements of House Bill 312;**

**NOW THEREFORE, BE IT ORDAINED, by the Council of the Village of Belmont:**

**SECTION 1. The Village of Belmont, hereby amends its credit use policy to comply with House Bill 312.**

**SECTION 2. (A) Council hereby creates the position of Credit Use Policy Compliance Officer; said Compliance Officer shall be appointed by the Mayor and approved by Council; said Compliance Officer shall not be an authorized user of the Village credit account, nor may the Compliance Officer authorize the use of the Credit Card Account; and the Compliance Officer shall not be the Fiscal Officer.**

**(B) The Compliance Officer shall make a quarterly review of the Village's Credit Card Account; said review shall include the number of credit cards, the number of active credit cards, the credit cards' expiration dates, and the credit limit for each card.**

**SECTION 3. (A) Council authorizes the President of the Board of Public Affairs, the Village Service Director, and the Village Fiscal Officer to be authorized signors and users of the Village Credit Card Account.**

**(B) The Village Credit Card Account shall only be used, in accordance with this ordinance, for emergency purposes up to FIVE HUNDRED DOLLARS (\$500.00), without the express consent of Council or the Village Fiscal Officer.**

**(C) All purchases to be made with said Village Credit Account in sums in excess of FIVE HUNDRED DOLLARS (\$500.00), shall have the express consent of Council or the Village Fiscal Officer.**

**(D) Each authorized signor and user established in item A. of Section 3. shall each hold and be responsible for a Village credit card.**

**(E) Each purchase made with a Village credit card shall be submitted to the Fiscal Officer by an itemized receipt of said purchase, as soon as practical after said purchase.**

(F) Any authorized signor and user that no longer wishes to be an authorized user and signor shall surrender the Village credit card in his/her possession to the Fiscal Officer immediately, subject to review of the Compliance Officer under Item (B) of Section 2.

(G) Any authorized signor and user who is no longer an employee or officer of the Village shall surrender the Village credit card in his/her possession to the Fiscal Officer immediately, subject to review of the Compliance Officer under Item (B) of Section 2.

(H) Any employee or officer that is required to be an authorized signor and user shall file an application for acquisition of a Village credit card with Council for review and approval/denial at the next regular meeting of Council.

SECTION 4. Each Village credit card shall have a maximum limit of FOUR THOUSAND SEVEN HUNDRED DOLLARS (\$4,700.00), subject to the limitations in Items (B) and (C) of Section 3.

SECTION 5. The Fiscal Officer shall file an annual report with Council detailing all rewards received based on use of the Village's Credit Account.

SECTION 6. Any intentional acts or omissions, by an authorized signor and user, in violation of any provision of this ordinance shall be a misuse of the Village Credit Use Policy under O.R.C. 2913.21, which is a misdemeanor of the first degree.

SECTION 7. This ordinance shall take effect at the earliest time allowed by law.

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**STANLEY A. SOBEL, Mayor**

#### CLERK'S CERTIFICATE

The undersigned Clerk of Council hereby certifies that the foregoing Ordinance was adopted by Belmont Village Council at a regular meeting on the 3rd day of January, 2019.

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**RICKY BURKHEAD,**  
Fiscal Officer and Clerk of Council

ORDINANCE NO.: 39-2018

ADOPTED ON: \_\_\_\_\_

AN ORDINANCE TO AMEND AND REPLACE THE VILLAGE OF SHAWNEE HILLS CREDIT CARD POLICY, CONTAINED IN SECTION FOUR OF THE VILLAGE OF SHAWNEE HILLS EMPLOYEE HANDBOOK, AND DECLARING AN EMERGENCY

WHEREAS, House Bill (H.B.) 312 of the 132<sup>nd</sup> General Assembly, Section 1, as codified and made applicable to the Village through O.R.C. § 717.31, sets forth regulations and requirements for local government entities and political subdivisions to adopt a written policy for the use of credit card accounts; and

WHEREAS, H.B. 312 establishes new safeguards for credit card use and seeks to reduce credit card abuse for all local government entities and citizens across Ohio; and

WHEREAS, specifically, H.B. 312 requires the Village to adopt a written policy for the use of credit card accounts addressing all of the following: (1) the officer or positions authorized to use a credit card account; (2) the types of expenses for which a credit card account may be used; (3) the procedure for acquisition, use, and management of a credit card account; (4) the procedure for submitting itemized receipts; (5) the procedure for credit card issuance, reissuance, cancellation, and the procedure for reporting lost or stolen credit cards; (6) each credit card account's maximum credit limit; and (7) the actions or omissions by an officer or employee that qualify as misuse of a credit card account; and

WHEREAS, all local government entities must adopt a written policy addressing these requirements by no later than three months after the effective date of H.B. 312, or by no later than January 31, 2019; and

WHEREAS, the Village of Shawnee Hills previously adopted a written credit card policy in Section Four of the Village of Shawnee Hills Employee Handbook, pp. 29-30, which was last amended in 2016; and

WHEREAS, the Village's current credit card policy must be updated and amended in order to comply with these new requirements under H.B. 312 and codified by O.R.C. § 717.31; and

WHEREAS, Council for the Village of Shawnee Hills now wants to amend its current credit card policy for the purpose of reflecting the requirements now in effect under H.B. 312, safeguarding the Village against credit card fraud and abuse, and promoting responsible acquisition, management, and use of Village credit cards.

**NOW, THEREFORE, BE IT ORDAINED** by the Council of the Village of Shawnee Hills, County of Delaware, State of Ohio:

- SECTION 1: Section Four, pp. 29-30 of the Village of Shawnee Hills Employee Handbook shall be amended and replaced as set forth in the document entitled "Village of Shawnee Hills, Ohio Credit Card Policy" attached hereto as Exhibit A and incorporated herein by reference.
- SECTION 2: All other Sections and Sub-Sections of the Village of Shawnee Hills Employee Handbook, not specifically addressed in Exhibit A, shall remain unchanged, in effect, and enforceable.
- SECTION 3: Council hereby expressly declares that the Village of Shawnee Hills, Ohio Credit Card Policy attached hereto as Exhibit A shall serve as the exclusive written policy of the Village for the use of credit card accounts and shall apply to all employees, officers, and departments of the Village.
- SECTION 4: It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of Council and that all deliberations of the Council and any of the decision making bodies of the Village of Shawnee Hills which resulted in such formal actions were in meetings open to the public in compliance with all legal requirements of the State of Ohio.
- SECTION 5: All prior legislation, or any parts thereof, which is/are inconsistent with this Ordinance is/are hereby repealed as to the inconsistent parts thereto.
- SECTION 6: Council declares this to be an emergency measure immediately necessary for the preservation of the public peace, health, and safety of this Village and the further reason that these amendments to and replacement of the Village Credit Card Policy must take effect immediately, given the implementation deadline of January 31, 2019 established by H.B. 312.

Passed in Council this \_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Patrick C. Monahan  
Mayor

ATTEST:

\_\_\_\_\_  
Shirley A. Roskoski  
Fiscal Officer

**APPROVED:**

Approved as to form this 16<sup>th</sup> day of November 2018.

A handwritten signature in black ink, appearing to read "Brian Zets". The signature is written in a cursive style with a large initial "B".

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**Brian M. Zets, Esq.**  
**Village Solicitor**

4813-2781-7856.1



**A. Purpose**

The purpose of this policy is to establish the procedure and protocol for the use of the Village business credit cards and other vendor supplied lines of credit, in accordance with Ohio House Bill 312. In accordance with House Bill 312 the name of the Village of Valley View shall appear on any credit card to be used by the Village of Valley View.

**B. Definitions**

1. "Credit card account" shall include any 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 "credit card account" expressly excludes any procurement card account, gasoline or telephone credit card account, or any other card account where merchant category codes are in place as a system of control for the account's use. In other words, an account that can be used only to pay for certain types of goods or services.

**C. Types of Expenses for Which A Credit Card Account May Be Used**

A credit card opened by the Village shall be used for only the following purposes:

- Meals
- Gas and oil
- Repair and maintenance of Village Assets (e.g. buildings, vehicles, tools, equipment, etc.)
- Professional development – shall include classes, seminars, conferences and lodging
- Internet
- Telephone
- Software
- Workers' Compensation Premiums and related expenditures
- Benefits
- Utilities
- Purchased services
- Equipment
- Capital

#### **D. Procedure For Opening New Credit Card Account**

In order to open a new credit card account a written request must be made to the Clerk-Treasurer. The request shall be reviewed by the Clerk-Treasurer and must be approved by the Clerk-Treasurer. Once approved, the Clerk-Treasurer shall open the account under his or her name as the custodian of the account.

The name of the Village shall appear on the Credit Card Account(s).

#### **E. Eligibility to Use Card**

The Clerk-Treasurer shall identify those employees whose day-to-day responsibilities require access to a Village credit card. Before receiving authorization to carry or use a Village credit card, authorized employees must complete acknowledge receipt of this policy.

#### **F. Procedure for Issuance of Card to Employee for Use**

The Village will use a sign in and sign out policy where an employee authorized to use a credit card for allowable purposes shall sign a form checking out and checking in the credit card. The Form shall at a minimum document the following: the name of the employee, the card signed out, the purpose for the use of the card, the date the card was signed out, the time the card was signed in and signed out, and the signature of the employee the card was signed in. The applicable credit card shall be returned no later than the end of the business day.

Further, before the employee shall allowed to sign out any credit card he/she shall be issued a copy of this policy and sign the acknowledgement form below.

#### **G. Procedure for Managing Credit Card Account**

The Clerk-Treasurer shall retain day to day control over all credit cards. The credit card(s) shall be kept in the possession of the Clerk-Treasurer

Any employees using the card shall sign the card out and return the card at a reasonable time – no later than close of business. The employee shall sign out the card and sign in the card once returned. Exceptions shall be made as deemed by the Clerk-Treasurer, and documented in writing.

All credit cards shall be paid in full by the due date – to avoid interest charges.



#### **H. Maximum Amount of Credit**

The Village shall have no more than twenty-five thousand dollars (\$25,000.00) in available credit between all Credit Card Accounts open at any one time. With respect to the maximum amount that can be charged to a Credit Card by employees, department heads shall have a \$1,000.00 - \$2,000.00 limit and other employees have \$500.00.

#### **I. Procedure for Re-issuing, Cancelling or Reporting Lost Cards**

Employees must surrender all Village credit cards upon their separation of employment from the Village or when requested by the Mayor or Clerk-Treasurer.

In the event the card is lost or stolen, the cardholder must notify the Clerk-Treasurer as soon as reasonably possible. The employee is to assist the Clerk-Treasurer in identifying and resolving any charges made to the account.

An open Credit Card Account may be cancelled by the Mayor and Clerk-Treasurer.

#### **J. Compliance Officer**

Because the credit cards are being maintained in the possession of the Clerk-Treasurer, and issued using a sign-in and sign-out procedure the Village is not utilizing a Compliance Officer designated by the Mayor. Should there be a time where the Village issues credit cards to individual employees that are not signed-in and out each day, the Village shall first name a Compliance Officer.

#### **K. Periodic Review of Cards/Authorization**

Generally, the Village Council and the compliance officer, if one exists, must review the following at least quarterly: the number of cards issued, the number of active cards issued, and the cards' expiration dates and credit limits.

#### **L. General Policy and Penalty for Misuse**

The Village credit card is issued solely for the purpose of conducting Village business and is not to be used for any personal expenses (including the use of Credit Card points). Personal and/or unauthorized usage of the Village-credit card shall be immediate grounds for revocation of the credit card. The use of a credit card account for expenses beyond those authorized by the legislative authority and/or this policy constitutes misuse of a credit card account, that may result in discipline up to an including termination of employment. An officer or employee of the municipal corporation or a public servant as defined under section 2921.01 of the Revised Code who knowingly misuses a credit card account held by the municipal corporation violates section 2913.21 of the Revised Code. The use of a Village credit card to purchase goods or services does not waive the Village purchasing procedures.

### **M. Expense Itemization/Documentation**

The Village recognizes that the credit card provides convenience to employees in acquiring goods and services for the Village. The Village also recognizes the additional risk inherent with credit card usage. Therefore, whenever a vendor will accept a Village purchase order, a purchase order should be used in lieu of the Village credit card.

For individual expenditures, the expense must fall within pre-approved budgets. Itemized receipts must be turned in to the Clerk-Treasurer within two (2) business days. If an employee is out of town during the expenditure, signed receipts should be turned in within two (2) business days of returning to work.

The employee will liable in person and upon any official bond the officer or employee has given to the political subdivision to reimburse the treasury the amount for which the officer or employee does not provide itemized receipts in accordance with the credit card policy.

### **N. Disclosure of Credit Card Rewards**

The Clerk-Treasurer shall file an annual report with the legislative authority detailing all rewards received based on the use of the municipal corporation's credit card account.

*Your signature also acknowledges that you have received, reviewed and understand the Village's Policy on Village Credit Use. Improper use of a Village Credit card can be considered misappropriation of Village funds. This may result in disciplinary action up to and including termination of employment. Your signature below verifies that you have read the Village policies and procedures and agree to comply with them as well as with the following responsibilities.*

\_\_\_\_\_  
*Employee Signature*

Clerk-Treasurer: \_\_\_\_\_  
*Signature*

\_\_\_\_\_  
Employee Printed Name

Clerk-Treasurer: \_\_\_\_\_  
Printed Name

Date: \_\_\_\_\_

Date: \_\_\_\_\_



**ATTACHMENT "A"**

**CREDIT CARD HOLDER SIGNED**  
**ACKNOWLEDGEMENT FORM**

I, \_\_\_\_\_, an employee of the Village of Brewster, acknowledge:  
that I:

1. have received a copy of the Village's Credit Card Policy, and
2. have read and understand the Village's Credit Card Policy, and
3. agree to conform to all the conditions and requirements of the Village's Credit Card Policy, and
4. accept personal responsibility for the safeguard and proper use of any and all Village credit cards, which either have been provided to me or "checked out" for use in performance of my Village duties, and
5. understand that I am personally liable for the misuse of any Village credit cards provided to me or "checked out" by me, and
6. shall be held personally responsible for the misuse of any Village credit cards provided to me or "checked out" by me, and
7. shall be held personally responsible for inappropriate charges made on any Village credit cards provided to me or "checked out" by me, and
8. shall be held personally responsible for failing to timely provide the Clerk-Treasurer with itemized receipts, and
9. shall be held personally responsible for failing to timely notify the Clerk-Treasurer that a Village credit card(s) provided to me or "checked out" by me is lost or compromised, and
10. understand the Clerk-Treasurer, the Village Administrator, or my Appointing Authority shall, at a minimum, discontinue my use of a Village credit card for violation or misuse of the credit card, and
11. understand my misuse of any Village credit cards may lead to discipline, which could include termination/demotion, and
12. understand my misuse of any Village credit cards may subject to potential criminal penalties in addition to potential discipline, and
13. hereby authorize that any inappropriate charges may be withheld from my salary.

\_\_\_\_\_  
Employee's Printed Name

\_\_\_\_\_  
Employee's Signature

Date \_\_\_\_\_

## Credit Card Policy 7.20

### Objective:

To insure that all use of “credit cards” is in compliance with the requirements established by Ohio Revised Code, and to insure that all purchases made by their use are for proper public purposes.

### A. Definitions

**“Credit card account”** means any 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 to transact with the account, and any debit or gift card account related to the receipt of grant moneys.

**“Credit card account”** does not include a procurement card account, gasoline or 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 card account.

### B. Procedure for Management of Credit Card Accounts

- 1) The Clerk-Treasurer shall retain general possession and control of all credit card accounts, and “presentation instruments” (credit cards) related to the account.
- 2) Village credit cards retained by the Clerk-Treasurer shall be safeguarded when not in use.
- 3) The Clerk-Treasurer shall establish a system to sign out credit cards to authorized users.
- 4) The Clerk-Treasurer shall maintain a list of all authorized users.
- 5) The Clerk-Treasurer may/shall develop additional internal accounting controls for management and use of credit card accounts.

### C. Procedure for Issuance/Acquisition or Reissuance/Reacquisition of Credit Card Accounts

The Clerk-Treasurer is responsible for administration of Village credit card accounts, to include, but not limited to, selection of card provider, payment of credit card bills, managing issuance of cards, and ensuring proper use.

Documentation will be kept /filled with the “credit card account” at the business, such as tax exempt forms.

### D. “Presentation Instruments” for All Credit Card Accounts

- 1) **The name of the “Village of Brewster” shall appear on each “presentation instrument” (credit card) related to any credit card account.**
- 2) The “presentation instrument(s)” related to any credit card account shall be limited to a credit card(s) – no other “presentation instrument such as checks shall be obtained or used.

### E. Procedure for use of credit card accounts

#### 1) Appropriation and Encumbrance (Purchase Order)

“Credit Cards” will still require the normal appropriation and encumbrance system to be followed. All purchases via “credit cards” must assure that any and all purchases have sufficient funds appropriated and encumbered to cover the purchase and/or daily/weekly/monthly maximum purchase limits. Additional controls and/or other purchasing procedures may as established by the Clerk-Treasurer may also be required to be followed. (Departments must have opened a purchase order prior to making purchases and have sufficient funds to cover purchases).

#### 2) Pre-approval by the Administrator, Appointing Authority, Clerk-Treasurer, or Department Head.

Approval for purchases with Village credit cards must be obtained prior to purchases from/by the Administrator Appointing Authority, Clerk-Treasurer, and/or the Department Head.

#### 3) “Debt” Incurred From Use of “Credit Cards”

“Debt” incurred as a result of use of a “vendor identification card” pursuant to this policy shall be paid from moneys appropriated to specific appropriation line items of the department for work-related expenses.

#### 4) Itemized Receipts

- For every transaction/use of a credit card, the user/purchaser must submit an itemized receipt to the Clerk-Treasurer or their designee as soon as practical, but in no event later than the return of the credit card.
- The itemized receipt shall have the purchase order number written on it.
- The itemized receipt shall have the purpose and/or “project” for which the purchase was made written on it.
- For all travel related expenses, purchases must also comply with the itemized receipt requirements set forth in Employee Handbook Policy 5.14 Travel or 5.14MA Travel Mutual Aid.
- A credit card statement will **NOT** suffice for itemized receipt.
- Missing documentation (itemized receipts) may result in an employee being personally responsible for the purchase/expense, and/or may be considered misuse of a credit card.

#### 5) Signatures on Credit Card Account Payments

- At a minimum, two (2) signatures shall be required on all payments for credit card purchases.
- A person who has made a credit card account purchase **CANNOT** also be an individual who authorizes payment

#### 6) Concurrent Compliance with Electronic Signature Policy

Use of “credit cards” is also subject to the provisions of Ohio Revised Code Section 304.02, Ohio Revised Code Chapter 1306, and the Village of Brewster’s Policy for Electronic Signatures.

## Credit Card Policy 7.20

### 7) No Copies

Never make a copy of a credit card.

### 8) Tax Exempt

Every effort shall be made to assure that a purchase with a credit card account is exempt from any and all taxes possible.

## F. Types of Expenses for Which a Credit Card Account May be Used

1) Credit Card Account purchases **MUST** be for proper public purposes. Expenditures must be for authorized Village work-related expenses that benefit the Village. Examples of appropriate expenditures are:

- Tools to complete Village tasks and owned by the Village, including online purchases.
- Materials and/or supplies that are necessary for completion of a Village project, including online purchases.
- Travel expenses (i.e. lodging, transportation, seminar fees, etc.) in accordance with Employee Handbook Policy 5.14 Travel or 5.14MA Travel Mutual Aid, including online purchases.
- Motor vehicle repair and maintenance expenses for Village owned vehicles or equipment with prior authorization.

2) Credit Card Accounts **CANNOT** be used the following expenses:

- Personal expenses, including, but not limited to entertainment, personal goods, personal services. Any purchase/use for personal benefit rather than the benefit of the Village (proper public purpose) is an unauthorized use and misuse of a credit card.
- Alcohol.
- Cash Withdrawals - No officer or employee of the Village shall make a cash withdrawal (to include additional cash with purchase).
- Refunds - No officer or employee of the Village shall accept a cash refund. ANY refund or credit for returned materials (goods) must be entered by the vendor against the "credit card" for the Village.
- Gift Cards - (exception – gift cards purchased by the Village Administrator or Village Clerk-Treasurer for the purpose of Employee Recognition pursuant to Employee Handbook Policy 3.16 – said purchases shall be tracked)

### 3) Late Charges or Finance Charges

No late charges or finance charges shall be allowed as an allowable expense unless authorized by Council.



## Credit Card Policy 7.20

### G. Officers or Positions Authorized to Use a Credit Card Account & the Maximum Credit Limits for Credit Card Accounts

- 1) The Village Administrator is an authorized credit card account user, with a maximum per credit card purchase of \$2,500.
- 2) The Mayor is an authorized credit card account user, with a maximum per credit card purchase of \$2,500.
- 3) The Village Clerk-Treasurer is an authorized credit card account user, with a maximum per credit card purchase of \$2,500.
- 4) The Village Superintendents of the Electric Department, Street Department, Wastewater Department, Water Department, or their designee(s) are authorized credit card account users, with a maximum per credit card purchase of \$2,500.
- 5) The Police Chief and Fire Chief or their designee(s) are authorized credit card account users, with a maximum per credit card purchase of \$2,500.
- 6) A maximum of \$5,000 may be charged on a single purchase on a credit card ***IF*** two (2) of three (3) individuals – the Mayor, Village Administrator, and/or Village Clerk-Treasurer, concur ***PRIOR TO*** the charge being incurred.

### H. Procedure for Reporting Lost or Stolen Credit Cards

Whenever any officer or employee who is authorized to use a “credit card” suspects the loss, theft, or possibility of an unauthorized or unlawful misuse of a “vendor identification card”, the officer or employee shall notify the Village Clerk Treasurer and Village Administrator **immediately**, and subsequently make a report in writing. The Village Clerk Treasurer, in turn, shall immediately notify cardholder services to place a hold on the relevant account.

### I. Procedure for Cancellation of Credit Card Accounts

The Clerk-Treasurer is responsible for administration of Village credit card accounts, to include cancellation of credit card accounts.

### J. Misuse of a “credit card”

The use of a Village credit card account for expenses beyond those authorized by this Policy, or any failure to comply with the Credit Card Policy and Procedures, constitutes misuse of a credit card account.

#### 1) Criminal Penalty

An officer or employee of the political subdivision or a public servant as defined under section 2921.01 of the Revised Code who knowingly misuses a credit card account held by the Village of Brewster violates section 2913.21 of the Revised Code, as well as any other applicable criminal penalty.

#### 2) Disciplinary Action

Misuse of a credit card account may also subject an officer or employee of the Village to disciplinary action.

## Credit Card Policy 7.20

### 3) **Liability**

The officer or employee is liable in person and upon any official bond the officer or employee has given to the political subdivision to reimburse the treasury the amount for which the officer or employee does not provide itemized receipts in accordance with this policy and/or for any other unauthorized use of a "credit card" as established by this policy.

## **K. Credit Card "points" and/or other Reward Program Benefits**

### **1. Benefits/Rewards of Credit Card Use Accrue to Village**

ALL the benefits of ANY reward program associated with Village credit card use (i.e. credit card "points" and/or other reward program benefits provided by a credit card issuer) shall accrue to the benefit of the Village.

### **2. Annual Report of Rewards of Credit Card Accounts**

The Clerk-Treasurer or the Clerk-Treasurer's designee shall file a report with the legislative authority detailing all rewards received based on the use of the political subdivision's credit card account on an annual basis.

## **L. Subject to Audit**

All purchases via "credit cards" are subject to audit by the Village Clerk Treasurer and/or the Auditor of State to verify compliance with this policy and/or State law.

Auditing by the Village Clerk-Treasurer will be by periodic internal reviews of purchases via "credit cards"

Any non-compliance discovered by the Village Clerk Treasurer will be reported to the Auditor of State.

Non-compliance may result in a finding by the Auditor of State.

## **M. Improper Expenditure**

If it is determined that there has been a "credit card" expenditure beyond the appropriated or authorized amount and/or in non-compliance with this policy, the Village Clerk Treasurer shall immediately notify the Appointing Authority and Department Head.

## **N. Signed Acknowledgement**

All authorized users of Village credit cards shall sign acknowledgment of this Credit Card Policy before receiving a City credit card. See Attachment "A."

Section 8.17

Credit Card Use Policy

A. Cash is the monetary medium choice for drug dealers and criminals, largely because controls are difficult and tracing transactions are nearly impossible. For this reason, public transactions in cash are prohibited.

B. The Village recognizes that the use of a credit card is for the efficient acquisition of goods or services solely for the benefit of the operation of the Village of Monroeville. The Village also recognizes the additional risk inherent with credit card usage. The absence of an appropriate credit card policy and of thorough monitoring of credit card activity increases the risk of unauthorized and/or otherwise improper expenditures that do not further the public purpose of the entity and are likely to result in audit findings or other sanctions. Therefore, whenever a vendor will accept a Village purchase order, a purchase order shall be used in lieu of the Village credit card.

C. For the purpose of internal controls, only the Fiscal Officer or his/her designee has the authority to acquire, use and/or sign for purchases made with the card, unless otherwise authorized by Council. Card number and/or validation code shall not be given to any other personnel.

1.) "Internal control" means a process affected by those charges with governance, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- a) Reliability of financial reporting
- b) Effectiveness and efficiency of operations
- c) Compliance with applicable laws and regulations; and
- d) Safeguarding of assets against unauthorized acquisition, use or disposition

D. The use of a Village issued card will be limited to that of official Village business only. Village business is defined as "any cost or expenditure of the Village funds authorized by Council and related to the official business of the Village. It is prohibited for an employee or official to make purchases for their own personal purposes or to receive special pricing from a vendor using the Village's name or reputation. Further, cash advances and purchases for entertainment, gifts, mementos, alcoholic beverages, or personal services are strictly prohibited.

E. All purchases made shall be required to adhere to the Village Purchase Procedure and shall require a requisition along with the issuance of a purchase order number prior to the purchase being made. These documents will be secured and maintained so as to create and preserve an appropriate audit trail. Any and all receipts or transaction confirmations shall

be presented to the Fiscal officer or his/her designee within two (2) working days of the transaction.

F. The Village credit card account's maximum credit limit is \$6000, with a single purchase limit of \$2000. Split purchases are not permissible.

G. The Fiscal Officer must present monthly to the legislative authority the credit card account transaction detail from the previous month. The legislative authority must review the credit card transaction detail and the presiding officer of the legislative authority must sign an attestation- stating the legislative authority reviewed the credit card transaction detail. At least quarterly, the Fiscal Officer and legislative authority must review the number of cards and accounts issued, the number of active cards and accounts issued, the expiration dates on the cards and accounts, and the credit limits on the cards and accounts. The Fiscal Officer must file a report annually with the legislative authority detailing all rewards received based on the use of the municipal corporation's credit card account. The name of the political subdivision must appear on each presentation instrument related to the account, including cards and checks.

H. An officer or employee "*is liable in person*" and upon any bond -the officer or employee has given to the political subdivision to reimburse the treasury for any amount for which (s)he fails to provide itemized receipts as required by the credit card use policy.

I. Any credit for returned or cancelled items shall be issued against the same credit card on which the purchase was made. Cash credit is prohibited.

J. Any employee or elected official who is authorized to use a Credit Card and who suspects the loss, theft, fraud, or possibility of unauthorized use of the Credit Card shall verbally notify the Fiscal Officer immediately after the suspected loss, theft, fraud, or possibility of unauthorized use becomes known to the employee or elected official. Upon receipt of such notice, the Fiscal Officer shall immediately take any action that the Fiscal Officer considers prudent and necessary to prevent or mitigate any possible or additional unauthorized use of the Credit Card including, but not limited to, notifying the Issuer and/or law enforcement, as appropriate, and shall notify Council of such action.

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The employee or elected official shall immediately follow verbal notice to the Fiscal Officer by written notice to Council of the suspected loss, theft, fraud, or possible unauthorized use. The Fiscal Officer should be copied on such notice.

An employee who loses, steals, commits fraud or unauthorized use of the credit card or an employee who suspects the loss, theft, fraud, or possibility of unauthorized use of the Credit Card misuses and fails to report that information as required by this section, may be held

liable as set forth in subsection H and may be subject to disciplinary action, up to and including dismissal.

K. The use of a credit card account for expenses beyond those authorized by the legislation authority constitutes misuse of a credit card account, and knowingly making unauthorized purchases is illegal. An officer or employee of the politician subdivision as defined under ORC §2921.01 who knowingly misuses a credit card account held by a legislative authority violates ORC §2913.21, which is a misdemeanor of the first degree. Disciplinary action or range of disciplinary actions may be taken in instances in which the credit card is utilized for other than a proper public expenditure/purpose or in violation of the Village's policies and procedures.

LK. A statement shall be signed by the Fiscal Officer and his/her designee acknowledging that (s)he has read the Village's credit card policy, understands it, and agrees to abide by it.

Section 8.17 approved by Council \_\_\_\_\_, 2019



## Article 9 – Credit Card Usage

Purpose: Pursuant to Section 717.31(A) of the Ohio Revised Code, the Village of Bethel adopts the following policy regarding the use of credit card accounts. For purposes of this policy, “credit card account” means any bank-issued credit card account, store-issued credit card account, financial depository-issued credit card account, debit card account for law enforcement purposes, affinity credit card account, or any other card account allowing the holder to purchase goods or services on credit or to transact with the account, and any debit or gift card account related to the receipt of grant moneys.

Village credit cards; officers or positions authorized to use a credit card account: The Village maintains the following credit cards:

- River Hills Debit Card (law enforcement only) (Credit Limit:\$500 per day)
- Key Bank Credit Card (Credit Limit:\$5,000)
- Speedway Fuel Credit Card (Credit Limit:\$8,800)

The name “Village of Bethel” shall appear on all presentation instruments associated with the Village’s credit card accounts. The Village Administrator, Village Fiscal Officer, Chief of Police and the Public Works Supervisor shall each be authorized users of Village credit cards to use for Village purchases. Members of the Police Department and Public Works Department are authorized to use credit cards to purchase gas, as provided herein. Cards may be issued to additional Village employees at the discretion of the Village Administrator. Cardholders shall sign the acknowledgment below indicating that they have read and understand this Policy prior the issuance of a Village credit card.

Types of expenses for which a credit card account may be used: Village credit cards may be used for the purchase of goods or services for Village business only when it is impossible or impractical to follow normal payment procedures. Credit cards may not be used for cash advances, the purchase of alcohol, or personal purposes or expenses, and shall only be used to transact Village business.

Procedure to acquisition, use, and management of credit card account:

- “Village of Bethel” shall appear on each presentation instrument related to a credit card account including cards and checks.
- All purchases must be approved in advance by the Village Administrator and a purchase order must be obtained from the Fiscal Officer prior to any purchase.
- The Fiscal Officer shall retain general possession and control of the Village’s credit card accounts and presentation instruments.
- Authorized card users must notify vendors or merchants that the sales transaction should be exempt from Ohio sales tax.

- Members of the Village of Bethel Police Department and Public Works Department are authorized to use a credit card to purchase fuel for Village-owned vehicles only. Any employee who uses a credit card to purchase fuel must obtain a receipt, and must identify the vehicle and mileage on the receipt. Credit cards associated with a fuel account shall be used for fuel purchases only.
- Cardholders must maintain a record or usage log that describes all items purchased with a credit card during the billing cycle. Information maintained shall include date of use, vendor name, brief description of purchase, dollar amount, and the reason that the credit card was used for the purchase.
- The Fiscal Officer shall compare and reconcile the cardholders' usage log, submitted receipts, and the billing statement every month.

Procedure for submitting itemized receipts to the Village Fiscal Officer: Cardholders must submit an itemized receipt to the Fiscal Officer for any purchase no later than one (1) business day following any purchase made with a Village credit card. The purpose of the transaction shall be clearly indicated on the receipt.

Credit card issuance, reissuance, cancellation, and process for reporting lost or stolen cards:

- The Fiscal Officer is responsible for administration of Village credit cards, including, but not limited to, selection of card provider, payment of credit card bills, managing issuance of cards, and ensuring proper use.
- If any employee suspects the theft, loss, or unauthorized use of a credit card, the employee shall immediately notify the Fiscal Officer in writing. The Fiscal Officer shall close any card that is lost, stolen, or that has incurred unauthorized charges by notifying the financial institution that issued the card.
- Employees must immediately surrender the card upon termination of employment.

Misuse of credit card account: Violations of this Policy may result in the revocation of use privileges. Employees found to have inappropriately used a Village credit card will be required to reimburse the Village for all costs associated with such improper use through direct payment or consented payroll deduction. Disciplinary action(s) may be taken, up to and including termination. The Village will investigate and commence, in appropriate cases criminal prosecution against any employee found to have misused the credit card or violates the terms of this Policy.

I, \_\_\_\_\_, have read and understand the terms of this Village of Bethel Credit Card Policy. I agree to comply with the terms of the policy.

\_\_\_\_\_

Date: \_\_\_\_\_