CITY OF OXFORD

Credit Card Policy

General Information

This policy describes the procedures for appropriate credit card use. By signing the credit card agreement form, the employee promises to comply with program rules and regulations. A credit card will be issued to an employee upon approval by the City Manager, with concurrence from the Finance Director, and after the employee executes a signed credit card agreement form. Upon receipt of the card, the employee should immediately sign the back of the card and keep it in a secure place.

A credit card that is issued with an employee’s name on the face of it is to be utilized only by that employee. The custodian of the credit card is the person that is responsible for tracking and reporting monthly purchases to the Finance Department. An employee that handles a credit card is responsible for the appropriate use of City funds. The credit card is the property of the City of Oxford and may be rescinded at any time. The credit card is only to be used for the types of purchase outlined in this policy.

Each custodian should keep current record of transactions and receipts to protect himself/herself and the City. These records are important internal controls elements of the electronic purchasing process and essential to the success of the credit card program.

How It Works

The credit card simplifies the purchasing and disbursement process by facilitating point-of-demand credit. Purchasing authority is delegated to the ordering department enabling the authorized cardholder to place an order directly with the supplier.

When a purchase authorization is requested by the supplier, the depository bank credit card system validates the transaction against pre-set limits established by the City. All transactions are approved or declined (instantaneously) based on the following credit card authorization criteria:

- Number of transactions allowed per day.
- Number of transactions allowed per month.
- Single purchase limit.
- Spending limit per month
- Approved merchant commodity code.

The authorization process occurs through an electronic system that supports the credit card processing services under the City of Oxford agreement with the current depository bank at the time of purchase. In addition, the Finance Department will have the capability to view transactions daily and create reports to effectively monitor the use of the credit cards.

Purchasing Guidelines

The credit card program will not circumvent the City’s purchasing rules and procedures. They are to be used for materials, supplies, training, and travel necessary for the card holder to effectively complete his/her job duties for the City of Oxford.

Each employee is responsible for the security of the card he/she is issued and for the purchases made with it. Consequences for card misuse are severe and penalties may include loss of job.

For Credit Cards that are issued for specific City functions, the guidelines for their usage is as follows:
1. It is the responsibility of the Department/Division head to have control over all purchases made using the Credit Card.

2. All purchases over $1,000 must follow our purchasing guidelines and a purchase order must be issued prior to the purchase.

3. All requests for Credit Card deletions, additions or changes must be submitted by the Department Head to the Finance Director after completing the Credit Card Form.

**Restrictions on Credit Card Use**

The Credit Card cannot be used for the following.

1. Cash advances
2. Traveler's checks
3. Personal services
4. Capital equipment
5. Entertainment and entertainment venues
6. Purchases of alcoholic beverages
7. Tobacco purchases

The Credit Card cannot be used for the transaction types listed below unless the Finance Director and the City Manager have specifically approved the inclusion on a specific Credit Card:

1. Airlines tickets
2. Automobiles/Vehicle Rentals
3. Hotels and Motels
4. Restaurants (when traveling per diem rates will be paid directly, credit cards should not be used when traveling)

If you have any questions regarding a restricted commodity, please contact the Finance Director, Assistant Finance Director or an Accounting Specialist in the Finance Department.

Each credit card has been assigned an individual credit limit based on the department director's approval. If that limit becomes too low to accommodate monthly requirements, the employee may request an increase through the department director, to the Finance Department. The Department should allow two days to process any limit changes to a credit card.

Certain merchants are blocked from the program, and purchases through them will be declined. If the employee feels that his/her purchase has been mistakenly declined, the employee should contact the Finance Director or Assistant Finance Director to address the issue.

**Placing an Order**

When placing an order, the employee should be able to provide the vendor the following credit card information, if necessary:

- Identify himself/herself as a City of Oxford employee
- Indicate that the purchase will be made using a credit card
- Provider Card Name
- Provide individual card number
- Provide the City's tax id number
- Give the expiration date of card
- Complete delivery address including building and room number (this may or may not be different from the credit card address)
- Any other information necessary to make the purchase.
NEVER allow a vendor to maintain your credit card information for their files.

Upon receipt of your order, the documentation received from the vendor (typically a sales receipt or packing slip) should be kept for later reconciliation. Each month the card custodian will receive a statement, which will identify all of the credit card purchases for that month. The employee should read the following instructions “Proof of Purchase Documentation and Reconciliation” carefully. These instructions will help the employee manage the paperwork associated with the credit card purchasing process.

**Order Verification Procedures**

The custodian is responsible for ensuring receipt of goods and services and follow-up with the vendor to resolve any delivery problems, discrepancies or damaged goods.

Items should be returned directly to the vendor by whichever means the vendor requires. The custodian is responsible for seeing that the proper credit is posted for any returned items. (see Discrepancies and Dispute Procedures)

**Proof of Purchase Documentation & Reconciliation**

The credit card will eliminate the time and effort spent on generating purchase requisitions and processing purchase orders.

With the authority to purchase specific goods and services comes the responsibility to maintain adequate documentation at the source of the transaction. Whenever a packing slip or sales receipt is received by the employee making the purchase, the sales receipt should be forwarded to the custodian of the card as proof that the transaction occurred. The custodian should retain this documentation until the monthly statement is received and attach it to the spreadsheet or report showing the transactions purchased and what accounts to use to allocate charges. The documentation and spreadsheet/report should be forwarded to the Finance Department for processing.

Documentation must support the legitimate business purpose of all transactions made with the credit card. In addition to sales receipts and packing slips, the following are examples of supporting documentation:

- Copies of order forms or applications.
- Services reports when service is provided by a vendor
- Internal order form
- Cash register receipts

As mentioned above, after reconciliation, the employee should forward the statements and all supporting documentation to the individual within his/her department who has been assigned responsibility for document management.

**Discrepancies and Dispute Procedures**

The employee that makes the purchase is responsible for following up with a vendor for any erroneous charges, disputed items, or returns. An employee may dispute a charge that appears on their account statement. Disputed charges can result from failure to receive goods or services, fraud or misuse, altered charges, defective merchandise, incorrect amounts, duplicate charges, credits not processed, etc. The employee should contact the vendor first to resolve any outstanding issues. Most issues can be resolved in this way. The Finance Department should receive a hard copy of the “Credit Card Dispute Form” to assist in resolving the discrepancy or dispute.

If the employee is unsuccessful with the vendor, then the custodian of the card should be engaged to assist in the process. The custodian should contact the Finance Department for the necessary forms to be completed. Any contact made with a vendor, as well as their response, should be attached to the form,
especially noting the date that the exchange of information occurred. The bank may also requires a date when merchandise is returned and/or services are cancelled.

**Custodian Purchasing Log**

Each custodian should keep a purchasing log to record transactions and help reconcile to the monthly statement. A custodian may create one that works for him/her. The information that should be included on the log is as follows: the transaction date, merchant name, purchase price, and the method in which the transaction was made (i.e. telephone, mail order, internet or point-of-sale), and the account(s) where the charges will be allocated.

**Payment**

The City of Oxford is responsible for payment of authorized and appropriate credit card transactions. The credit card will not affect the employee’s personal credit in any way.

**Lost or Stolen Credit Cards**

It is the responsibility of the custodian to immediately report a lost or stolen credit card. The City of Oxford is liable for all transactions until the card is reported lost or stolen. An employee using the card must report a lost or stolen credit card as soon as possible to the custodian of the credit card. The custodian must report a lost or stolen credit card by phone directly to our current depository bank and to the Finance Director by phone or e-mail at the time of the occurrence.

Verbal reports of lost or stolen credit cards must be first called into our current depository bank then followed in writing to the department director and to the Finance Director or Assistant Finance Director using the "Lost or Stolen Credit Card Notification" form. A replacement card will be issued to the custodian. The employee’s quick response will reduce the risk of fraud.

**Sales Tax**

The City of Oxford is tax exempt. The City’s tax-exempt number is **31-6001080**. When traveling, hotel charges, transportation charges and fuel charges will most likely be taxed since tax exemption applies only to sales within the State of Ohio. Hotel/Motel taxes, fuel taxes, etc. are also not exempted.

**Canceling Credit Cards**

A credit card must be cut in half and sent along with a written request to cancel the card by the custodian of the card including the department director’s approval. This documentation should be forwarded to the Finance Department to process.

**Renewal of Existing Credit Cards**

A renewal credit card will be sent automatically to the card holder thirty (30) days prior to the expiration date of the existing card. The old card will need to be returned to the Finance Department, which will then destroy the old cards.
Misusing the Credit Card

The credit card represents the City's trust in the employee and his/her empowerment as a responsible employee of the City of Oxford to safeguard and protect its assets. Each employee assumes the responsibility for the protection and proper use of the credit card.

The following situations are considered "misuse" of the credit card:

1. Personal use – Purchases using the card for the sole benefit of the employee; clothing and food not authorized by the employee's director.
2. "Loaning" out the card – Assignment, transfer, or "loaning" of an individual card to an unauthorized person or to a suspended or terminated employee.
3. Administrative misuse – Lack of proper and timely reconciliation of individual card accounts; card use that is in direct violation of acquisition goals.

Misuse of the credit card will be handled promptly and uniformly for all custodians. The following are the actions that may be taken:

1. The credit card used may be suspended. The credit card will not be restored until the issue is resolved.
2. Using email - the custodian and their supervisor will be contacted of any instance of non-compliance as they occur.
3. If the Finance Department does not receive a responding email within two business days, an email will be sent to the supervisor and the department director to take action.
4. If the Finance Department does not receive a responding email within two business days, an email will be sent to the department director and the City Manager.

Based upon the severity of misuse, disciplinary measures may include personnel action up to and including termination and legal action in accordance with the terms and conditions of the Cardholder Agreement Form and the City of Oxford personnel policies.

Credit Card Maximum Limits

The maximum limit is $5,000. Temporary increases may be available with approval of the Finance Director, City Manager and/or Assistant Finance Director if the Finance Director or City Manager is unavailable.

Credit Card Authorized Users

Department Heads, Police Lieutenants & Sergeants, Fire Captain's, Office Manager Police Division, Assistant to the City Manager.

Credit Card Audit

To ensure the continued success of the credit card program, the Finance Director will, on a monthly basis, audit each account. The purpose of the audits will be to ensure that authorized policies and procedures are being adhered to by the employees utilizing the program.

Compliance Officer

City Council shall appoint a compliance officer. The compliance officer shall report at least quarterly the number of cards and account issued, the number of active cards and accounts issued, the cards' and accounts' expiration dates, and the cards' and accounts' credit limits.
**Conclusion**

The credit card should be used responsibly. Each employee should be aware that improper use may result in disciplinary action, up to and including termination and criminal prosecution. A purchasing log may be maintained by the department, but the original receipts will be forwarded to the Finance Department. The card may be randomly audited to track purchasing and record keeping activity.

By using the credit card for business transactions, the employee will help save the City of Oxford both time and money.
CREDIT CARD POLICY FORMS
CITY OF OXFORD

CREDIT CARD AGREEMENT

The following policies are to be followed when using City credit cards for business use:

1) Cards are for official business for the City of Oxford. Therefore, no personal items are to be charged to the card.

2) The card number is not to be provided to anyone else for use. If someone needs to charge an item (say, a phone order), then have them provide you the information and you should personally place the order.

3) If you charge expenses to the card, you must obtain and submit with the bill supporting documents for each charge. The following items are required:
   - A) Detailed motel bill
   - B) Detailed phone itemization (in cases where base motel bill was prepaid by city)
   - C) Phone order information
   - D) Itemize receipt of any other charges made to the credit card.

4) Meals: The policy regarding meal limitations for each person still applies. An employee will be reimbursed the City’s current per diem rates for meals when traveling. When only traveling for a portion of the day, meal per diem reimbursement applies to the portion of day out of town. (Say, leaving Sunday afternoon or evening. In this case, the per diem limitations apply.)

Additionally, there may be instances where the card is used to buy the meals of a group of City employees and/or business visitors. In this case, the travel form must be completed documenting:

   1) Names of all persons eating and business relationship
   2) Business purpose of meal

Lastly, alcohol is not reimbursable by the government. Therefore, no alcohol purchases are to be paid for individuals. Pay from your personal funds, do not charged them to the card (which would require reimbursement to the City).

5) Finance charges and late fees on the credit cards will not be tolerated. Therefore, in return for the privilege of receiving a city credit card, the employee is responsible for and submitting the documentation above and approving all card charges immediately upon receipt of the bill, and submitting it to the Finance Department to be paid in a timely manner.

* * * * * * * * * * * * * * * * * * * * * * * * * * *

I understand and will comply with the responsibilities listed above in accepting the city credit card. I understand that non-compliance with any items above may result in surrendering of the card.

Signature  Date

Page 8
CITY OF OXFORD

CREDIT CARD DISPUTE FORM

CARDHOLDER NAME and RETURN ADDRESS:

PHONE NUMBER: ________________________________
FAX NUMBER: ________________________________
ACCOUNT NUMBER: ____________________________
MERCHANT NAME: _____________________________
AMOUNT: ________________________________
TRANSACTION DATE: ____________________________

To assist our investigation, please indicate below the reason for your dispute. If you have any questions, please call the Finance Department for assistance. Use this form to assist our current depository bank with your claim.

I did not make nor authorize the above transaction. (Please indicate the whereabouts of your Commercial Card.)

☐ There is a difference in the amount I authorized and the amount I was billed. (A copy of your charge must be enclosed.)

☐ I only transacted one charge, and I was previously billed for this sales draft. Date of previous charge: ____________________________

☐ The above transaction is mine, but I am disputing the transaction. (Please state your reasons why in detail.)

☐ Please send me a copy of the sales draft.

☐ I have received a credit voucher for the above transaction, but it has not yet appeared on my account. (A copy of the credit voucher must be enclosed.)

☐ My account has been charged for the above transaction, but I have not received this merchandise. The date of expected delivery was: ____________ The details of my attempt to resolve the dispute with the merchant and the merchants response are indicated below.

☐ My account has been charged for the above transaction, but the merchandise has since been returned. The details of my attempt to resolve the dispute with the merchant and the merchant's response is indicated below. (Please enclose a copy of your postal receipt.)

☐ Other (Please explain):

Cardholder Signature: ____________________________ Date: ____________________________
CITY OF OXFORD
CREDIT CARD FORM

CARDHOLDER NAME: ____________________________________________

ACCOUNT NUMBER: ____________________________________________

START/END DATE: ____________________________

☐ I would like a card issued to employee. (Please state your reasons why in detail.)

__________________________________________________________________________

__________________________________________________________________________

☐ I would like a card rescinded for employee. (Please state your reasons why in detail.)

__________________________________________________________________________

__________________________________________________________________________

☐ I would like an increase in my current credit card limit. (Please state your reasons why in detail.)

__________________________________________________________________________

__________________________________________________________________________

Department Head Signature: ____________________________ Date: ____________________________
CITY OF OXFORD

LOST OR STOLEN CARD NOTIFICATION FORM

CARDHOLDER NAME and

PHONE NUMBER: __________________________________________

ACCOUNT NUMBER: ________________________________________

BANK CONTACTED: (DATE&TIME) _____________________________

To assist in processing your request please provide all the information requested. If you have any questions, please call the Finance Department for assistance.

☐ Credit card was lost and needs to be replaced. (Please indicate why you believe the card is lost.)

☐ Credit card is believed to be stolen and needs to be replaced. (Please attach a copy of a police report.)

☐ Credit card was lost and does not need replacement. (Please indicate why you believe the card is lost.)

☐ Credit card is believed to be stolen and does not need replacement. (Please attach a copy of a police report.)

☐ Other (Please explain):

________________________________________________________________________

Cardholder Signature: __________________________________________ Date: _____________

Department Director Signature: _______________________________ Date: _____________

Finance Director Signature: _________________________________ Date: _____________

City Manager Signature: ______________________________________ Date: _____________

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RESOLUTION NO.


WHEREAS, the City Manager and the Finance Director recommend Council update the Procurement Card Policy attached hereto and incorporated herein by reference as prepared and proposed by the Finance Director and in accordance with HB 312 which became effective November 2, 2018 maintaining a policy and procedure for the use of electronic payment as a method of expending public funds.

THE COUNCIL OF THE CITY OF OXFORD, OHIO, HEREBY RESOLVES THAT:

SECTION 1: Council hereby accepts the recommendation of the City Manager and the Finance Director and adopts the Credit Card Policy attached hereto and incorporated herein entitled City of Oxford Credit Card Policy as prepared by the Finance Director and in accordance with HB 312 which became effective November 2, 2018.

SECTION 2. This Resolution shall take effect at the earliest date allowed by law.

MAYOR

ADOPTED:

ATTEST:

CLERK OF OXFORD CITY COUNCIL

INTRODUCED BY: KATE ROUSMANIERE

PREPARED BY: LAW (STAFF)
AN ORDINANCE ESTABLISHING A MODIFIED CREDIT CARD POLICY TO COMPLY WITH THE PROVISIONS OF RECENT LEGISLATIVE CHANGES AND DECLARING AN EMERGENCY.

WHEREAS, the City has previously established a policy for the use of credit cards by City employees; and

WHEREAS, pursuant to the provisions of recent legislative enactments, it is necessary to modify the credit card policy of the City so as to be in compliance with State law.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Circleville, Pickaway County, Ohio as follows:

SECTION I. The Council hereby adopts and ratifies the credit card policy attached hereto as Exhibit "A" and incorporating hereby reference, as the official policy for the City of Circleville so as to be in compliance with the new requirements established by the Ohio Legislature.

SECTION II. That any previous Ordinance in conflict with this Ordinance is hereby repealed and has no further force or effect. All remaining portions of any other Ordinance not modified by this Ordinance shall remain in full force and effect.

SECTION III. That this ordinance is hereby declared to be an emergency measure, necessary for the preservation of the public peace, health and safety of the residents of the City of Circleville, said emergency arising out of the immediate need to implement this modified credit card policy to be in compliance with the recent legislative enactments within the time frame provided for by the Ohio Legislature, so that this ordinance shall take effect and be in force immediately from and after its passage and approval by the Mayor.

PASSED: ____________________________  PRESIDENT OF COUNCIL

ATTEST: ____________________________  CLERK OF COUNCIL

APPROVED:  ____________________________  MAYOR

APPROVED AS TO FORM:

GARY D. KENWORTHY, LAW DIRECTOR
Credit Card Policy

PURPOSE

To establish a policy for the approved use of city owned credit cards to
- Allow City employees an efficient means of payment for approved expenditures.
- Improve managerial reporting related to credit card purchase.
- Improve efficiency and reduce costs of payable processing.
- Comply with HB 312 statute requirements

POLICY

1. A 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, or any other card or credit 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 monies.
2. City credit cards will be issued to elected officials, department directors, department sign-out cards, and designated staff, after acquiring the approval of the appointing authority.
3. The City of Circleville’s name and the assigned user’s name or sign-out card designation will appear on each credit card.
4. Credit cards will only be used for governmental purposes. Personal purchases of any type are strictly prohibited. The Ohio Revised Code (ORC) states, “An officer, employee or public servant defined under ORC 2921.01 who knowingly misuses a credit card account violates ORC 2913.21, which is a misdemeanor of the first degree.
5. The use of a credit card account for expenses beyond those authorized by the legislative authority constitutes misuse of a credit card account. The ORC states, “An officer, employee or public servant defined under ORC 2921.01 who knowingly misuses a credit card account violates ORC 2913.21, which is a misdemeanor of the first degree.
6. Credit card rewards are assets of the City and are under the control of the legislative authority. All credit card awards must be surrendered to the Auditor’s Office for proper expenditure control oversight. Any personal use of credit card awards is a violation of ORC 2913.21.

7. The following are examples of allowable and prohibited expenditures:

<table>
<thead>
<tr>
<th>Allowable Expenditures</th>
<th>Prohibited Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>...</td>
<td>...</td>
</tr>
<tr>
<td>Procedure</td>
<td>Instructions</td>
</tr>
<tr>
<td>-----------</td>
<td>-------------</td>
</tr>
<tr>
<td>1.</td>
<td>Credit card use is prohibited for personal transactions to the City of Los Angeles. Credit cards are required to sign in an appearance warrant prior to acceptance of the case with the exceptions noted below.</td>
</tr>
<tr>
<td>2.</td>
<td>The monthly statement with attached detailed receipts must be submitted in the timely fashion as specified by the Attorney General's Office. Statement reviews and other determinations include the manner of persons and related expenses.</td>
</tr>
<tr>
<td>3.</td>
<td>Another ethics advice can take place of the appearance or in other cases the same.</td>
</tr>
<tr>
<td>4.</td>
<td>In the case of credit, each credit must receive the written consent of the signatory party. The applicable authority can request for procedures and processes beyond the normal activities.</td>
</tr>
<tr>
<td>5.</td>
<td>Additional procedures can be requested for procedures and processes beyond the normal activities.</td>
</tr>
</tbody>
</table>

*Note: Additional procedures can be requested for procedures and processes beyond the normal activities.*
designated to have all expenses charged to a specific account number(s), with exceptions noted on the monthly statement.

6. Employees should immediately report lost or stolen cards to their respective department director. Immediately after receiving notification of a lost or stolen card, the department director will inform the Auditor’s Office. The Auditor’s Office will contact the bank and inform them of the matter.

7. Upon termination, the employee must return the credit card to the department director. The card is to be immediately sent to the Auditor’s Office by the department director. The Auditor’s Office will re-issue the card according to the credit card policy. If the card is not to be re-issued the Auditor’s Office will destroy the card and send a letter to the bank requesting that the credit card be canceled.

8. Cardholders must make every effort to ensure that purchases do not include sales tax. Tax exempt certificates are available through the Auditor’s Office. The City will not reimburse or pay sales tax. Sales tax charges will be the responsibility of the purchaser.

**Guidelines for Credit Cards**

<table>
<thead>
<tr>
<th>Approved Cardholders and limits</th>
<th>Card Limits</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Position</strong></td>
<td></td>
</tr>
<tr>
<td>Departmental Sign-out Cards</td>
<td></td>
</tr>
<tr>
<td>Tier I Cardholder</td>
<td>&lt;$2,000</td>
</tr>
<tr>
<td>Tier II Cardholder</td>
<td></td>
</tr>
<tr>
<td>Police Chief</td>
<td>&lt;$3,000</td>
</tr>
<tr>
<td>Fire Chief</td>
<td>&lt;$3,000</td>
</tr>
<tr>
<td>Chief Probation Officer</td>
<td>&lt;$3,000</td>
</tr>
<tr>
<td>Tier III Cardholder</td>
<td></td>
</tr>
<tr>
<td>Director of Public Safety</td>
<td>&gt;$1000.01</td>
</tr>
<tr>
<td>Director of Public Service</td>
<td>&gt;$1000.01</td>
</tr>
<tr>
<td>Director of Public Utilities</td>
<td>&gt;$1000.01</td>
</tr>
<tr>
<td>Director of Cable TV</td>
<td>&gt;$1000.01</td>
</tr>
<tr>
<td>Clerk of Courts</td>
<td>&gt;$1000.01</td>
</tr>
<tr>
<td>Director of Parks and Recreation</td>
<td>&gt;$1000.01</td>
</tr>
<tr>
<td>Human Resources Director</td>
<td>&gt;$1000.01</td>
</tr>
<tr>
<td>Appointing Authority</td>
<td>&gt;$1000.01</td>
</tr>
</tbody>
</table>

**Summary of Cardholder Duties**

- The employee will obtain proper authorization before making purchases from department head or appointing authority.
- Obtain credit card from Auditor’s Office. Sign out the card detailing the date, purpose of the expenditures, and timeframe credit card required. All credit cards should be returned to the Auditor’s Office within 24 hours unless prior approval is granted.
- Maintain card security to prevent unauthorized charges against account
Title: [Inaccessible text]

Summary of Auditor's Office Responsibilities

Task 1: Retrieve and Review Financial Statements
- Retrieve all available financial statements, including balance sheets, income statements, and cash flow statements.
- Review the financial statements for accuracy and completeness.
- Compare the financial statements to industry standards and benchmarks.

Task 2: Conduct Audits
- Conduct on-site audits of company operations to verify financial data.
- Evaluate the effectiveness of internal controls and procedures.
- Identify areas for improvement and make recommendations.

Task 3: Prepare Reports
- Prepare draft audit reports for management review.
- Ensure compliance with auditing standards and regulations.
- Provide recommendations for corrective actions.

Task 4: Communicate with Management
- Meet with management to discuss audit findings.
- Discuss recommendations for improvements.
- Ensure management's understanding of the audit process.

Task 5: Maintain Professional Competence
- Attend training sessions and workshops to stay current on auditing standards and techniques.
- Participate in peer review activities to maintain professional integrity.
- Stay informed about industry trends and best practices.

NOTE: To ensure accuracy and completeness, please review the entire document for all task details.
> Contact Treasurer to initiate the countersignature requirements for the disbursement of funds by either ACH or check.
> Maintain a paper and an electronic history of voucher with account detail, statements, receipts, pre-approval forms, signatures, and purchase orders.
> The City Auditor will present monthly to the legislative authority a credit card transaction detail report for the previous month.
> On an annual basis the City Auditor will file a report with the legislative authority detailing all rewards received based on the use of the City's credit card account.
Chairman.

City of Chandler

Auditors Office use only:

[Table and text not legible]

City of Chandler

[Table and text not legible]
AN ORDINANCE BY THE
COUNCIL OF THE CITY OF
CANAL FULTON, OHIO TO
ADOPT A CREDIT CARD
POLICY.

WHEREAS, The State Auditors and the Council of the City of Canal Fulton, Ohio have recommended the implementation of a Credit Card Policy.

NOW THEREFORE BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CANAL FULTON, OHIO that:

The City of Canal Fulton agrees to adopt a Credit Card Policy pursuant to guidelines and agreement attached as "Exhibit A" and incorporated by reference herein.

Joseph A. Schultz, Mayor

ATTEST:

Teresa Dolan, Clerk-of-Council

I, Teresa Dolan, Clerk-of-Council of the City of Canal Fulton, Ohio, do hereby certify that this is a true and correct copy of Ordinance _____2018, duly adopted by the Council of the City of Canal Fulton, on the date of . 2018, and that publication of the foregoing Ordinance was duly made by listing same on the city's web-site and by posting true and correct copies thereof at three of the most public places in said corporation as determined by Council as follows: Canal Fulton Post Office, Canal Fulton Public Library and Canal Fulton City Hall each for a period of fifteen days, commencing on the _____ day of ________, 2018.

Teresa Dolan, Clerk-of-Council

SEF/6p
City of Canal Fulton
155 East Market Street, Suite A
Canal Fulton, Ohio 44614
(330) 854-6761 Fax (330) 854-6260

City of Canal Fulton
Credit Card Policy

1.0 OVERALL POLICY

The City of Canal Fulton allows for the use of credit cards in order to facilitate purchases necessary for the efficient operation of the organization while complying with requirements of the Ohio Revised Code and City ordinances. The intent of this credit card policy is to define the parameters for the use of credit cards to transact official City business while minimizing the risk of fraud or abuse.

2.0 SCOPE

This policy applies to all elected officials and city employees, as further defined in Section 3.0.

3.0 AUTHORIZATION AND CONTROL

A. The City Manager and Finance Director shall authorize and approve the use of credit cards through the City’s requisition and purchase order approval process.

B. The following departments / positions are authorized to use the city credit cards for allowable purchases:

<table>
<thead>
<tr>
<th>DEPARTMENT</th>
<th>POSITION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative</td>
<td>City Manager</td>
</tr>
<tr>
<td></td>
<td>Clerk of Council / Assistant to the City Manager</td>
</tr>
<tr>
<td></td>
<td>Mayor</td>
</tr>
<tr>
<td></td>
<td>Zoning Inspector</td>
</tr>
<tr>
<td>Council</td>
<td>Council Member</td>
</tr>
<tr>
<td>Finance</td>
<td>Finance Director</td>
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<td>Utility Billing Clerk</td>
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<td>Income Tax Administrator</td>
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<td>Law Director</td>
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<td>Parks &amp; Recreation</td>
<td>Parks &amp; Recreation Director</td>
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<td>Police</td>
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<td>Police Department Administrative Assistant</td>
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<td>Fire</td>
<td>Fire Chief</td>
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<td>SAFER Grant Coordinator</td>
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<td>Public Service</td>
<td>Superintendent of the Utilities</td>
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"A Friendly Community Since 1814"
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<td>Community Service Coordinator</td>
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<td>Mechanic</td>
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</tbody>
</table>

C. Spending limits are determined by approved purchase order amounts. For blanket purchase orders, a purchase made by a credit card shall not exceed $2,500. Separating a purchase into multiple transactions with the intent to not exceed $2,500 shall be deemed as an unauthorized use of the credit card and the purchaser will be subject to Section 7.0.

D. All authorized users will be required to sign a Credit Card User Agreement (Attachment A) before they are eligible to use the card.

4.0 AUTHORIZED USE OF CREDIT CARDS

Authorized persons may use city credit cards for the following purchases and travel-related expenses that have received prior authorization through the City’s requisition and purchase order process:

A. Registration fees for training seminars, meetings and conferences
B. Travel and training expenses in accordance with the City’s travel policy, including meals, lodging expenses, air and ground transportation, auto rental, fuel, tolls and parking
C. Supplies and minor equipment for City purposes

Other uses than those listed in Section 4.0 can be approved on a case-by-case basis through the purchase order approval process, but shall not include prohibited uses in Section 5.0.

5.0 PROHIBITED USE OF CREDIT CARDS

The following uses of City credit cards are strictly prohibited:

A. Contracted or personal services
B. Cash advances of any nature
C. Personal purchases of any kind
D. Entertainment or alcoholic beverages

6.0 ISSUANCE AND ACCOUNTING OF CREDIT CARDS

A. The City shall obtain a maximum of eight separate credit cards, with maximum credit limits ranging from $2,500 - $3,000 per card, and a maximum combined credit limit of $25,000. The cards shall be assigned and organized by the Finance Department, for use by designated departments. The Finance Director or designee shall be responsible for the management of the credit card account with the financial institution providing the cards.

B. Credit cards shall only be issued under the name of the City of Canal Fulton.
C. The City credit cards are stored in a locked cashbox in the Finance Department. Credit cards must be signed out by the individual requesting the use of the card and countersigned by Finance personnel prior to use. Credit cards should be promptly returned to the Finance Department after usage and signed back in by the user and Finance personnel.

D. Authorized users must forward itemized, detailed receipts of purchases for each credit card transaction to the Finance Department with the approved purchase order before it can be processed. Failure to provide detailed documentation as required by the policy will result in the user being responsible for the charge and any interest, fees or penalties for the period of time that the charges were not paid.

E. The Finance Department will verify all credit card expenditures against the monthly statement and notify department of missing receipts or questionable charges.

F. It is the responsibility of each authorized user to follow up with the transacting vendor on any erroneous or disputed charges, returns or adjustments to ensure proper credit is given on subsequent statements. The Finance Director or designee is responsible for following up with the financial institution providing the credit card account, cancelling compromised or lost cards, and obtaining new credit cards.

G. The Finance Department shall keep reconciled statement data including receipts and packing slips, on file for a period consistent with the City’s record retention policy.

H. The Finance Director shall annually report to City Council all rewards received by the City for the use of the credit cards, if any.

7.0 USE OF CREDIT CARD FOR AN UNAUTHORIZED PURPOSE

Any misuse or unauthorized use of a City credit card will be investigated by the City Manager and/or Finance Director and may result in disciplinary action up to and including termination and/or legal action. In addition, any individual who knowingly makes unauthorized purchases using a City credit card will be held personally liable for the inappropriate charges and any associated fees, and may have their wages garnished accordingly.

8.0 SAFEGUARDING AGAINST LOSS OR THEFT

All authorized users of City credit cards shall take all necessary precautions to keep the card and card number in a secure location and protected from misuse. When using a City credit card for internet purchases, users should make every attempt to ensure that the purchase site uses appropriate security features.

Loss, theft or suspicious use of a City credit card shall be reported immediately to the Finance Director.
ATTACHMENT A

CREDIT CARD USER AGREEMENT

I, ____________________________, as an authorized user of a City of Canal Fulton credit card, accept personal responsibility for the safeguard and proper use of the City credit card for which I am authorized to use in the performance of my job, in accordance with the City’s Credit Card Policy.

I have read and understand the credit card policy and procedures.

I understand that the City Manager and/or Finance Director will disallow my use of a City credit card for violation or misuse of the credit card and/or credit card policy and that such violation or misuse may subject me to discipline, including termination and legal action under the City’s Credit Card Policy.

I understand that I will be held personally liable for unauthorized charges and any associated fees incurred by me on behalf of the City of Canal Fulton and further authorize the City to withhold payment for such inappropriate charges and associated fees from my paycheck.

The undersigned individual has read and understands the above statements.

__________________________________  ________________
Authorized user                            Date
An ordinance amending Ordinance 107-10, the City of North Canton's Credit Card Policy and Procedures, and declaring the same to be an emergency.

WHEREAS, pursuant to House Bill 312, on or before November 2, 2018, a legislative authority of a municipal corporation that holds a credit card account shall adopt a written policy for use of the use of credit card accounts, which shall include and address certain provisions; and

WHEREAS, the City wishes to improve and update its current credit policies and procedures to help prevent credit card misuse; and

WHEREAS, to safeguard and protect City credit cards from misuse, the City wishes to amend immediately its Credit Card Policy and Procedures to include recommendations from the Ohio Auditor of State’s office and the Ohio General Assembly’s mandate, effective November 2, 2018, and codified in Section 717.13(A) of the Ohio Revised Code.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORTH CANTON; COUNTY OF STARK; STATE OF OHIO:

Section 1. That the City wishes to update and improve its current Credit Card Policy and Procedures to help prevent credit card misuse.

Section 2. That the City of North Canton’s Credit Card Policy and Procedures, be, and the same is hereby amended and incorporated herein as if fully rewritten to read as the document attached hereto as Exhibit "A."

Section 3. That if a provision of this ordinance is or becomes illegal, invalid or unenforceable, that shall not affect the validity or enforceability of any other provision of this ordinance.

Section 4. That this ordinance is hereby declared to be an emergency measure necessary for the preservation of the health, safety and peace of the City of North Canton and further necessary to timely implement Ohio Revised Code Section 717.31(A), effective November 2, 2018, and to immediately establish recommended safeguards to protect City credit cards from misuse; wherefore, provided it receives the affirmative vote of six (6) or more members of Council elected thereto, this ordinance shall take effect and be in full force immediately upon its adoption by Council and approval by the Mayor. Otherwise, it shall take effect and be in force from and after the earliest period allowed by law.
Passed in Council this 8th day of October, 2018

David Held, Mayor

Signed: 10/18/18, 2018

ATTEST:
Mary Beth Bailey, Clerk of Council
CITY OF NORTH CANTON  
CREDIT CARD POLICY AND PROCEDURES

1. **Purpose:**
Pursuant to Ohio Revised Code Section 717.31(A), and the City of North Canton’s recognition of the value of an efficient method of payment and record keeping for certain expenses, the City adopts the following policy regarding the use of a credit card account.

2. **Officers or positions authorized to use a credit card account:**
   
   A. The Director of Finance shall maintain control of City credit card accounts and presentation instruments related to the cards and checks.

   B. The Directors of Administration and Finance are authorized card users with maximum limits of $5,000 each.

   C. The Police and Fire/EMS Chiefs, the Engineer, the Superintendents of the Water Treatment Plant, Water Distribution/Parks, Street/Sewer, and Permits/Inspections are authorized card users with maximum limits of $3,000 each.

3. **Types of Expenses for which a Credit Card may be used:**
   
   City credit cards are to be used for legitimate City purposes. Examples of legitimate City purchases are as follows:

   A. **Travel:**

      Credit cards may be used by the above assigned individuals for official business-related expenditures for hotel, parking, ferry, taxi, meals, gas, airline tickets, emergency City vehicle repairs, and other travel-related expenses as authorized and preapproved by the Director of Administration, Director of Finance or Appointing Authority. Travel expenditures shall not exceed those outlined in the City’s existing Travel Policy authorized by Ordinance No. 40-03.

   B. **Purchases:**

      Credit cards may be used for ordering supplies, including online purchases, when pre-approved by the Director of Administration, Director of Finance, or Appointing Authority.

   C. Credit cards **shall not** be used, however, for cash advances or personal purposes or expenses, and shall only be used to transact City business.

   D. The cardholders identified in paragraph 2 above are liable in person and upon an official bond the employee has given to the City to reimburse the City treasury the amount for which the employee does not provide itemized receipts in accordance with the policy and procedure described in paragraph 5 below.
4. **Procedure for acquisition, use, and management of a credit card account and presentation instruments related to the account including cards and checks:**

   A. "City of North Canton" shall appear on each presentation instrument related to a credit card account including cards and checks.

   B. At least quarterly, the Director of Finance shall advise City Council regarding:

   i. The number of credit cards and accounts issued;
   ii. The number of active cards and accounts issued;
   iii. The cards' and accounts' expiration dates; and
   iv. The cards' and accounts' credit limits.

5. **Procedure for submitting itemized receipts to the Director of Finance:**

   Credit card users shall obtain itemized receipts for each transaction and provide the same to the Director of Finance on a daily basis or as soon as reasonably possible. The purpose of the transaction shall be clearly indicated on the receipt.

6. **Procedure credit card issuance, credit card reissuance, credit card cancellation, and the process for lost or stolen credit cards:**

   The Director of Finance is responsible for administration of City credit cards to include, but not limited to, selection of card provider, payment of credit card bills, managing issuance of cards, and ensuring proper use.

   Whenever a City credit card holder suspects the loss, theft, or possibility of unauthorized use of the card, the employee shall notify the Director of Finance and employee's Appointing Authority in writing. The Director of Finance, in turn, shall immediately notify cardholder services to place a hold on the relevant account.

7. **Actions or omissions by an officer or employee that qualify as misuse of a credit card account:**

   A. Card holders shall sign acknowledgment of this Credit Card Policy before receiving a City credit card. See Attachment "A."

   B. Card holders shall return City credit cards to the Director of Administration, Director of Finance, or Appointing Authority upon ending City employment. Cards returned to the Director of Administration or an Appointing Authority shall be returned to the Director of Finance.

   C. The use of a City credit card account for expenses beyond those authorized by this Policy, or any failure to comply with these Credit Card Policies and Procedures, constitutes misuse of a credit card account. An employee who knowingly misuses a credit card account is subject to discipline, which could include demotion, termination, in addition to criminal charges. Use of a City credit card for any use other than those permitted under this Policy section is a violation of section 2913.21 of the Ohio Revised Code.
I, ____________________________, as an employee of the City of North Canton, accept personal responsibility for the safeguard and proper use of the City credit card, which has been provided to me for use in performance of my City duties.

I have read and understand the City's Credit Card Policies and Procedures, October 2018.

I understand the Director of Administration, Director of Finance or my Appointing Authority shall, at a minimum, discontinue my use of a City credit card for violation or misuse of the credit card and/or Credit Card Policies and Procedures.

I understand I am personally liable for the misuse of the City credit card/checks provided to me; that I shall be held personally responsible for the misuse of the card/checks for inappropriate charges, for failing to timely provide the Director of Finance with itemized receipts, for failing to timely notify the Director of Finance that the card/check is lost or compromised, and as more fully defined in the City's Credit Card Policies and Procedures.

I understand my misuse of the credit card/checks may lead to discipline, which could include termination/demotion, together with criminal penalties, and hereby authorize that inappropriate charges may be withheld from my salary.

The undersigned employee hereby acknowledges receipt of the above City's Credit Card Policies and Procedures, that the employee has read and understands the document, and that the employee agrees with the conditions therein.

Employee's Printed Name

______________________________

Employee's Signature

______________________________

Date


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1 As used herein, a "credit card" or "credit card account/check" means any bank-issued credit card account, store-issued credit card account, financial institution-issued credit card account, financial deposit/loan-issued credit card account, affinity credit card account, or any other card account allowing the holder to purchase goods and 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.
CITY OF KENT, OHIO
CREDIT/DEBIT/PURCHASING CARD POLICY

Approved by City Manager: __________________________ Date: ____________________

Adopted by City Council Ordinance No.: ___________ Date: ____________________
City of Kent
City-Held Credit/Debit/Purchasing Card Policy

I. Purpose

The purpose of this policy is to ensure that credit/debit/purchasing cards (such as Sears, Home Depot, VISA, MasterCard, Discover) that are issued to and held in the name of the City are closely controlled and monitored so as to provide for maximum security and to guard against misuse and/or losses for which the City may be held liable. This policy is meant to comply with the mandates of Sub HB 312 enacted by the 132nd General Assembly. City use includes situations where a purchase order is not accepted by the provider for needed services, supplies and/or materials, or are purchased from a provider who issues a purchase card to be used in conjunction with a purchase order. There may also be instances where discounts and/or rebates that are deemed to be advantageous to the City are associated with this type of payment. The City-held credit/debit/purchasing cards (sometimes referred to as “card(s)”) are NOT for personal use, and will not be permitted to be carried by personnel on a regular basis for any reason. All City credit/debit/purchasing cards shall be the name of the “City of Kent, Ohio.”

II. General Guidelines

If the Budget and Finance Director does not retain general possession and control of each credit/debit/purchasing card account and related presentation instrument (card), Council hereby designates the City Controller as the City’s “Compliance Officer.” The Compliance Officer may not use a credit card account and may not authorize an officer or employee to use a credit card account.

If credit/debit/purchasing cards are not controlled by the Budget and Finance Director, the cards are to be kept in the control of the Department Head or his/her designee as authorized by the Budget and Finance Director. Each Department Head or designee will secure the cards in a safe, or in a locked cash box in a secure drawer.

Each Department Head must keep a master list of all employees who are permitted to use City credit/debit/purchasing cards, along with each employee’s title, and a master list of cards being held and controlled within the department. Both lists must be provided to the Budget and Finance Department annually, or whenever changes are made. Only one
person at a time will be assigned to use each card. A copy of both master lists must be on file with the Budget and Finance Department and must be kept current by the Department Head or designee.

A log of the card name showing date, sign out time, sign in time, signature of person using the card, and valid purchase order number is to be kept by the Department Head or designee. (See Exhibit A) The Department Head must initial each entry on the log indicating approval of the card’s use and the purchase. A copy of this information is to be forwarded to the Budget and Finance Department monthly. Anyone needing to use a card must go to the Department Head or designee holding the card and sign the card in and out on this log.

Regular purchase order policy and procedures must be followed whenever you anticipate using the card. Every purchase using any card must have a valid purchase order assigned to it before the purchase is legal. The purchase order must contain the vendor and provide descriptions, account numbers and estimated dollar amounts. No single vendor purchase shall exceed a spending limit of Five Thousand Dollars and No Cents ($5,000.00) without the express written consent of the Department Head or designee. This will assure that sufficient appropriations exist to cover the anticipated charges. Once an invoice is received, simply return a copy of the P.O. along with the receipts you have accumulated, directly to the Budget and Finance Department, to complete the transaction.

III. Budget and Finance Director Responsibilities

By way of approving this overall Credit/Debit/Purchasing Card Policy, City Council authorizes the Budget and Finance Director to apply for and establish all such accounts as he/she deems necessary for the conduct and benefit of City business, so long as the expenditures do not exceed the corresponding Approved Budget for related transactions. Only City employees are eligible to have custody and permission to use City cards.

A. Opening Accounts/Cancellation

All credit/debit/purchasing cards will be issued under approval of and in coordination with the Budget and Finance Department and approval of the respective Department Head. The reissuance of credit/debit/purchasing cards shall be approved by the Budget and Finance Director. Debit card use and possession will only be permitted for law enforcement purposes as stipulated by ORC 9.22.
In the event that a credit/debit/purchasing card has not been used during any twelve (12) month period, the Budget and Finance Director shall determine if the card account should be cancelled.

B. Retrieving cards from employees

The Budget and Finance Director shall ensure that a Department Head retrieves cards from employees who leave the City, change departments, or move to a job in which they will no longer require use of a City credit/debit/purchasing card account.

C. Overseeing appropriate use of the card

Budget and Finance Director or designees will:

1. Review the all credit/debit/purchasing card transactions and management reports to ensure that the cards are being used appropriately.

2. Ensure all transactions are marked "Viewed" and "Approved" in the system prior to mapping into the General Ledger.

3. Reporting lost and stolen cards immediately to the appropriate card companies.

4. The Budget and Finance Director have authorized the following positions to use a City credit/debit/purchasing card pursuant to the mandates of this Policy and the City’s Purchasing Policy:

   **Fire Department positions:** Fire Fighter/Paramedic, Lieutenant, Captain and Chief;

   **Police Department positions:** Police Officer, Sargent, Lieutenant, Captain and Chief;

   **Parks and Recreation positions:** Recreation Supervisor, Recreation Specialist, Program Instructor, Account Clerk, Recreation Coordinator, Parks Supervisor and Parks and Recreation Director;
**Water Plant positions:** Water Plant Manager, Chief Operator, Chemist, Environment Technician, Lab Technician, Chief Coordinator,

**Other positions:** City Manager, Executive Assistant to the City Manager, and the following Department Heads; Community Development Director, City Engineer, Fire Chief, Police Chief, Health Commissioner, Human Resources Manager, Information Services Director, Law Director, Parks and Recreation Director, and Service Director,

**D. Ensuring documentation requirements are met**

Budget and Finance Director or designees will:

1. Ensure necessary detail and documentation are provided on all transactions.

2. Ensure that itemized receipts and card statements are retained and kept in accordance with the City’s Records Retention Schedule.

**IV. Reporting and Reviewing Requirements**

The Budget and Finance Director, annually, shall file a report with City Council detailing all rewards received based on the use of the City’s credit/debit/purchasing card accounts.

The Compliance Officer, if applicable, and City Council, at least quarterly, shall review the number of cards and accounts issued, the number of active cards and accounts issued, the cards’ and accounts’ expiration dates, and the cards’ and accounts’ credit limits.

**V. Rules and Procedures for Use**

**A.** The card is for City business expenses only. It must not be used for personal purchases.

**B.** The card is not transferable. It may be used by the authorized City employee cardholder only.

**C.** Itemized receipts must be obtained for all transactions.

**D.** Pyramiding - i.e., dividing one purchase into two or more, in order to stay within your transaction limit - is not allowed.
E. Authorized City employee cardholders may not receive cash advances.

F. Authorized City employee cardholders are responsible for resolving discrepancies and ensuring credits are received.

G. Authorized City employee cardholders may not receive cash back or in-store credits for any refunds or exchanges. Such amounts must be credited to the credit/debit/purchasing card account. If a supplier mistakenly issues a refund check, it must be submitted to the Budget and Finance Department within five days of receipt by the cardholder.

H. Authorized City employee cardholders should not pay Ohio sales tax. The cardholder must tell in-state suppliers the City is exempt from Ohio sales tax. A copy of the City's Tax Exempt Certificate is available if the supplier needs to see it.

I. If grant funds are being charged, Authorized City employee cardholders are responsible for seeing that all granting agency requirements are fulfilled.

J. Authorized City employee cardholders may not make purchases that violate City policy restricting business transactions that may be perceived as a conflict of interest (purchases from a business in which you or a relative have a financial interest).

VI. Documentation Requirements

Employees should always obtain an itemized receipt for each transaction. If a cash register tape does not have descriptions, write them on the tape. Any transaction without a properly substantiated receipt is subject to reimbursement to the City by the employee.

A receipt is defined as an invoice, cash register receipt, sales slip, or packing slip which contains an itemized list of goods purchased, with dollar amounts, and the name and location of the supplier. An employee of the supplier must sign handwritten receipts.

A. Purchases Made in Person

Retain the itemized receipt in addition to the credit/debit/purchasing card copy to properly substantiate the purchase.
B. Faxed or Mailed Purchases

Retain a copy of the order as faxed or mailed and the fax confirmation (if available) for your records.

C. Internet Purchases

At least one of the following types of documentation is required:

1. Print-out of the completed online order form;
2. Print-out of the online order confirmation; or
3. Print-out of the e-mail confirmation.

The user must immediately advise the Budget and Finance Director if a card is damaged, lost, stolen or the subject of suspected fraudulent activity.

VII. Preventing Fraud

The cardholder should use basic security measures, as outlined below, to guard against fraud:

A. DO Keep the card in a secure location; guard the card number carefully.

B. DO Save receipts and statements in a secure area (they may contain your card number).

C. DO Keep an eye on the card during the transaction, and retrieve it as soon as possible.

D. DO Always know where your card is. If you can't find the card, assume the worst: Notify Budget and Finance so that the account can be canceled.

E. DO Be aware of what you are signing: Your signature can copy through to other slips deliberately placed underneath.

F. DO Audit your monthly statement closely. Make sure all charges shown are legitimate charges.

G. DO Visit reputable, familiar merchants whenever possible.
H. DO Report possible fraud immediately.

I. DO NOT Discard credit/debit/purchasing card slips in public areas, or discard them whole. Thieves can acquire your card number from receipts, slips and statements.

J. DO NOT Lend your card to anyone.

K. DO NOT Give your card number to anyone over the phone unless you know you are dealing with a reputable vendor.

VIII. Unauthorized Purchases

City credit/debit/purchasing card accounts may not be used to purchase the following items:

A. Personal items

B. Alcohol and entertainment

C. Controlled substances requiring a DEA license

D. Employee relocation and relocation-related expenses

E. Purchases that involve signing an agreement, license, or contract (e.g., leases).

F. Long term rentals (1 year or longer).

G. Contracted or personal service providers - specific to unincorporated 1099 service providers (e.g., photographic studios, dry cleaners, physicians, medical labs, auto towing or repair, etc.).

H. Weapons or ammunition

I. Donations

J. Fuel for a privately-owned vehicle or aircraft
IX. Inappropriate Use of Cards

Employees using City-held cards are responsible for safeguarding the card. If inappropriate use of the card is discovered, disciplinary action up to and including discharge from employment is possible. In the event of fraudulent use, the City may pursue legal prosecution.

Improper costs associated with prohibited purchases will be collected by requesting the employee voluntarily repay the City, by the employee voluntarily agreeing to a payroll deduction or by any legal action available to the City.

Upon the first notice of suspected credit/debit/purchasing card abuse, the Department Head should immediately advise the Budget and Finance Office and consult with the Law Department. Budget and Finance will initiate and coordinate an investigation of the suspected card abuse. The employee shall be given an opportunity to respond to the allegations being investigated.

Following the interview with the employee and completion of the investigation, Budget and Finance shall issue a final written report to the City Manager, Law, Department, Human Resources Manager and investigated Employee’s Department.
X. Employee Acknowledgment

I have read the forgoing Credit/Debit/Purchasing Card Policy and acknowledge that I understand it and will abide by its mandates.

I understand that:

A. The City’s card is to be used only for legitimate City business purchases at the request of and for the benefit of the City of Kent.
B. The City’s card is to be used within the guidelines of the City’s purchasing policy.
C. The City’s card must be used in accordance with the provisions of the City’s Credit/Debit/Purchasing Card Policy.
D. The City’s card is NOT to be used for any personal expenses even if the intent is to repay the City.

Violations of these requirements may result in revocation of use privileges. Employees found to have inappropriately used the City’s card will be required to reimburse the City of Kent for all costs associated with the improper use through direct payment or payroll deduction. Disciplinary action may be taken up to and including termination.

________________________________________ Date: _______________________
Signature
Print Name: ______________________________
Title: ____________________________________

For City Use Only

Card Issued:

Card Type & Number: ______________________ Date: ______________

Card Returned to Budget and Finance:

Received by: ______________________________ Date: ______________
Exhibit A
USE OF CREDIT/DEBIT/PURCHASING CARD FORM

Card Checked Out:

Signature: ___________________ Time: ________ Date: ________

Card Checked In:

Signature: ___________________ Time: ________ Date: ________

Name: _______________________

Department: __________________

Description of item(s)/service(s) purchased:
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

Purchase Order Number: _______________________

Attach original receipt(s) signed by the employee.

Employee Signature: __________________________ Date: ______________________

Department Head Signature: __________________ Date: ______________________

Checked by the Fiscal Officer: ________________ Date: ______________________
CITY
CREDIT CARD ACCOUNT
POLICIES AND PROCEDURES

PURPOSE

The City Council through Ordinance XXX-19 established a Credit Card Account Policy per the O.R.C. as amended by House Bill 312. This policy and procedures is intended to ensure that appropriate internal controls are established within each department procuring with credit card accounts so that they are used for authorized purposes only.

SCOPE

As used in this policy and procedures “Credit card account(s)” means any bank issued credit card account, store-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(s)” 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 the use of the card account.

This policy strictly prohibits the use of debit card accounts for any purpose other than law enforcement purposes and debit accounts related to the receipt of grant money.

OFFICERS AND POSITIONS AUTHORIZED TO USE A CREDIT ACCOUNT

- Mayor
- Auditor
- Treasurer
- Law Director
- Department Heads (as approved by the Service Safety Director)
- Council President
- Municipal Court Judge

TYPES OF EXPENSES

Prohibited Expenses:

The following purchases are strictly prohibited:

- Alcoholic beverages
- Personal purchases
- Cash advances
- Items or services on term contracts unless approved by the auditor
• Maintenance agreements unless approved by the auditor
• Individual Meals
• Purchases not related to the business of the City

Allowed Expenses:

• Travel/Training - Expenditures related to travel and training such as registration, accommodations, parking, and airline tickets.
• Supplies – If not available through a purchase order or in emergency situations. Food for group events or for emergency situations.

Parking Charges

• Parking charges will only be covered with a receipt stating the charge. The date on the parking receipt must match the approved travel dates on the Travel/Training form.

PROCEDURE FOR ACQUISITION, USE AND MANAGEMENT OF A CREDIT CARD ACCOUNT

ACQUISITION OF AN ACCOUNT

The procedure for establishing a credit card account or a store-issued credit card account is as follows:

1) Only a Department Head or Elected Official may request to open a credit card account or a store-issued credit card account.

   (a) DEPARTMENT HEAD – Submit request to Service Safety Director. Service Safety Director approves and sends to Auditor for final approval.

   (b) ELECTED OFFICIAL – Submit request to Auditor for approval.

2) The Auditor is responsible for processing the application, including signing the application and assigning the credit limit.

3) The legislatively appointed compliance officer may not authorize an officer or employee to establish a credit card account or a store-issued credit card account.

4) The name of the City of must appear on each presentation instrument related to the account including all cards and checks.

5) The department head, or their designee, will report the new credit card account to the compliance officer.
USE AND MANAGEMENT OF AN ACCOUNT

1) Before any purchases are made, the department head, or their designee, should verify that a purchase order has been approved for the related expenses. If the card will be used for travel and registration, a Travel/Training Expense form must be approved.

2) Employees should make every effort to ensure that purchases do not include sales tax. Tax-exempt certificates are available through the Auditor’s office. Sales tax may be paid for minimal expenditures from one time vendors who refuse the exemption, but sales tax should not be paid where the purchases are for more substantial expenditures. The official and employee may be personally responsible for payment of sales tax. Exceptions will be made for online vendors who do not recognize our tax-exempt status.

3) Officers and employees are responsible for all charges made to the card. Detailed itemized receipts for each charge on the account must be retained and attached to the voucher. A printed copy of the completed online purchase must be provided for all online purchases.

4) Detailed receipts must be retained and promptly given to the employee’s department head, or their designee. Failure to provide receipts will result in the employee’s responsibility for the charges.

5) Monthly statements will be sent to the main account holder/department.
   a) Upon receipt of the statement the receipts will be matched to the detailed charges and vouchered per the Auditor’s office vouchering procedure.
   b) Any items that do not have a receipt will be the personal responsibility of the card user.
   c) Bills will be vouchered and paid in a timely manner to not incur late charges/fees.
      i) If late fees are incurred it is the responsibility of the department head, or their designee, to request the charges removed.
      ii) The payment of late fees on habitually tardy bills will become the responsibility of the department head, or their designee.

6) Card statements are reviewed monthly by the Auditor’s office for unauthorized charges and other discrepancies.

Credit cards are to be returned to the City immediately upon ending employment.

Quarterly, all departments with credit card accounts must report the following information to the compliance officer and the legislative authority.
1. Lost or stolen cards
2. Cards and accounts issued during the quarter
3. Number of active cards and accounts
4. Expiration dates of all cards
5. Credit limits for all cards
6. Incentives/Rewards

PROCEDURE FOR CREDIT CARD ISSUANCE, REISSUANCE AND CANCELLATION
Employees are required to sign the "Credit Cardholder Agreement" (attachment A) prior to issuance of a credit card. This will be monitored by the department head or their designee.

The City Auditor is authorized to revoke the use of any credit card issued and immediately require the surrender of the credit card.

Once a card is determined as unnecessary/unneeded the following steps must be taken:
1. The department head is required to inform the SSD and the Auditor of the unneeded card.
2. The department head needs to contact the issuing bank and request that the card be canceled.
3. Once the card is canceled it should be destroyed.
4. The department head, or their designee, will report the canceled card to the compliance officer and the legislative authority on their quarterly report.

REISSUANCE – Lost or stolen cards will be reviewed for reissuance based on circumstances.

REPORTING LOSS OR STOLEN CARD

Lost or stolen cards must be immediately reported to the department head, or their designee. Once reported, the department head, or their designee, will call the bank or store, and the Auditor’s office to report the card as lost or stolen.

MAXIMUM CREDIT LIMIT

Credit card limits should not exceed $5,000.00.

INCENTIVE PROGRAMS/REWARDS

Any incentives/rewards derived by the use of the City’s credit card will be the property of the City. All incentive/rewards must be reported to the compliance officer quarterly.

PERIODIC REVIEW

Compliance Officer/Legislative Authority Reporting

The legislative authority shall appoint a compliance officer. The compliance officer may not use a credit card account and may not authorize an officer or employee to use a credit card account. The compliance officer and the legislative authority at least quarterly must review the number of cards and accounts issued, the number of active cards’ and accounts’ issued, the cards’ and accounts’ expiration dates, and the cards’ and accounts’ credit limits.

The city auditor must present monthly to the legislative authority credit card account transaction detail from the previous month. The legislative authority must review the credit card account transaction detail and the presiding officer of the legislative authority must sign an attestation stating the legislative authority reviewed the credit card transaction detail.
The city auditor, or a designee, annually must file a report with the legislative authority detailing all rewards received based on the use of the municipal corporation’s credit card account.

State Auditor Reporting

Annually the Auditor’s Office shall file a report with the Auditor of State detailing all rewards received by the City based on the use of a credit card account.

(The Auditor of State shall promulgate rules detailing the manner in which a city shall report to the Auditor of State rewards received by the city for the use of accredit card account.)
ATTACHMENT A

CITY OF
CREDIT CARDHOLDER AGREEMENT

Requirements for use of a Municipal Credit Card (including store credit):

1) The credit card is to be used only to make purchases at the request of, and for the legitimate business benefit of, The City of Ohio.

2) The credit card must be used in accordance with the provisions of the Credit Card Policy and Procedures established by the City of Ohio, as attached hereto.

Violations of these requirements may result in revocation of use privileges. Employees found to have inappropriately used the credit card will be required to reimburse the City of for all costs associated with such improper use through direct payment or payroll deduction. Disciplinary action(s) may be taken up to and including termination. The City of will investigate and commence, in appropriate cases, criminal prosecution against any employee found to have misused the credit card or who violates the provisions of the cardholder agreement.

Credit Card Account Number: ____________________________________________

Received by: ____________________________________________________________

NAME (Please Print)

I acknowledge receipt of the attached Credit Card Policy and Procedures and agree to abide by said Policy and Procedures.

Signature: _____________________________________________________________

Date: __________________________________________________________________

(Below, for City Use Only)

CREDIT CARD RETURNED

Authorized Signature: ____________________________________________________

Date: __________________________________________________________________
CITY OF, OHIO

CREDIT/PURCHASING CARD POLICY

Approved for Adoption by: ___________________________ Date: ___________________________

Ordinance No: ___________________________

CITY OF

CITY-ISSUED CREDIT/PURCHASING CARD POLICY

A. Purpose

The purpose of this policy is to ensure that City issued credit cards and/or purchase cards at Huntington National Bank, First National Bank, Centerra CO-OP, Tractor Supply Credit Plans, Home Depot Credit Services, Walmart Community SYNCB, Sam's Club Synchrony Bank and Farm & Home Hardware, or any other credit card accounts the City opens, are closely monitored to provide for maximum security and to guard against misuse and/or losses for which the City may be held liable. There will be no more than fifteen cards issued from any one issuer. This policy is meant to comply with the mandates of Sub HB 312 enacted by the 132nd General Assembly. City use includes cases where a purchase order is needed for services, supplies and/or materials, or is purchased from a vendor who issues a purchase card to be used in conjunction with a purchase order. The City-issued cards are NOT for personal use, and will not be permitted to be carried by
personnel on a regular basis for any reason. All City credit cards shall be the name of the “City of Ohio and card holder’s name where possible.

B. Credit Card Account

The term “credit card account” shall mean 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 card account related to the receipt of grant moneys.

C. General Guidelines

The cards are to be kept in the possession and control of each department head or elected official, including the Mayor, Director of Law, Municipal Judge, and Director of Finance. Each department head and elected official shall secure the cards in a safe place.

Each department head or elected official must keep a master list of all employees who are permitted to use City credit cards, along with each employee’s title. This list will be provided to the compliance officer quarterly, or whenever changes are made. A copy of both master lists must be on file with the compliance officer and must remain current.

A list of the card names showing date, sign out time, sign in time, signature of person using the card, and valid purchase order number (see Exhibit A) is to be kept by the department head, elected official, or their designee. The department head, elected official, or their designee must initial each entry on the log indicating approval of the card’s use and the purchase.

A copy of this information is to be forwarded to the compliance officer monthly. Anyone needing to use a card must go to the department head, elected official, or their designee holding the card and sign the card in and out on this log (see Exhibit B).

The regular purchase order policy and procedures must be followed whenever purchases are made with City issued credit cards. Every purchase using any card must have a valid purchase order assigned to it before the purchase is legal. The purchase order must contain the vendor and provide descriptions, account numbers and estimated dollar amounts. No purchase shall exceed a spending limit of Five Thousand Dollars and No Cents ($5,000.00). This will assure that sufficient appropriations exist to cover the anticipated charges. Once an itemized detailed invoice and/or receipt is received, it shall be submitted with a copy of the P.O. directly to the Finance Division to complete the transaction and pay the invoice.

D. Policy Administration

1. Management of credit card accounts
Each elected official shall determine when a credit card account is to be opened depending on the need, reissued if lost or stolen, suspended or closed depending on the circumstance. Cards will be issued only to authorized City officials, Department Heads, and employees.

The Director of Finance shall be responsible for preparing and submitting all applications and other paperwork necessary to open and manage all credit card accounts (i.e., opening, closing, suspending, re-issuance of cards, etc.). The Director of Finance reserves the right to suspend any extension of credit for failure to follow this policy.

2. Retrieving cards from employees

The compliance officer must retrieve cards from employees who leave the City, change departments, or move to a job in which they will no longer require a credit card account.

3. Overseeing appropriate use of the card

The compliance officer will:
   a. Review all credit card transaction and management reports to ensure that the cards are being used appropriately.
   b. Ensure all transactions are marked “Viewed” and “Approved” in the system prior to being entered into the accounting system.

4. Ensuring documentation requirements are met

The compliance officer will:
   a. Ensure necessary detail and documentation is provided on all transactions.
   b. Ensure that itemized receipts and card statements are retained and kept in accordance with the City’s Records Retention Schedule.
   c. On an annual basis, file a report with Council of all rewards received based on the use of the City’s credit card accounts.

5. Compliance Officer

The Assistant Director of Finance shall be the City’s compliance officer for purposes of this policy and, in such capacity, shall report to Council on a quarterly basis, the number of cards and accounts issued, the number of active cards and accounts issued, the cards’ and accounts’ expiration dates, and the total unsecured credit amounts and limits.

6. Lost or Stolen Cards/Fraudulent Activity

The Cardholder must immediately notify the Director of Finance or his/her designee if a card is damaged, lost, stolen or the subject of suspected fraudulent activity.

E. Authorized Cardholders
The following officials and employees (hereinafter “Cardholders”) are authorized to use a City-issued credit card:

1. Elected officials, including the Mayor, Director of Law, Municipal Judge, and Director of Finance
2. Department Heads
3. City employees as deemed necessary for the efficient operation of a City department and approved in writing by the Department Head. Such written approval shall be provided to the compliance officer who maintains a master list of all persons authorized to use City-issued credit cards.

F. Rules and Procedures for Use

All Credit Cards will be used for City business expenses only. It will not be used for personal purchases.

No credit card will be transferable from one employee to another. Cards will be used only by the cardholder or their designee.

Itemized detailed receipts must be obtained and maintained for all transactions and submitted to the Finance Division for payment.

Pyramiding – i.e., dividing one purchase into two or more, in order to stay within your transaction limit – is not allowed.

Cardholders will not receive cash advances.

Cardholders will be responsible for resolving all discrepancies and ensuring credits are received.

Cardholders will not receive cash back or in-store credits for any refunds or exchanges. Such amounts must be credited to the credit card account. If a supplier mistakenly issues a refund check, it must be submitted to the compliance officer within two (2) days of receipt by the cardholder.

The City does not pay Ohio sales tax. The cardholder must inform in-state suppliers the City is exempt from Ohio sales tax. A copy of the City’s Tax Exempt Certificate is available if the supplier needs one and will be issued by the Director of Finance upon request.

If grant funds are being charged, cardholders are responsible for seeing that all granting agency requirements are fulfilled.

Cardholders may not make purchases that violate City policy restricting business transactions that may be perceived as a conflict of interest (purchases such as from a business in which you or a relative have a financial interest).

Actions or omissions by an officer or employee that qualify as misuse of the card will be identified and reported to the appropriate appointing or authorizing authority.
G. Documentation Requirements

Cardholders will always obtain an itemized detailed receipt for each transaction. If a cash register tape does not have descriptions, write them on the tape. Any transaction without a properly substantiated receipt is subject to reimbursement of the City by the Cardholder or user that made the purchase.

A receipt is defined as an invoice, cash register receipt, sales slip, or packing slip which contains an itemized list of goods purchased, with dollar amounts, and the name and location of the supplier. An employee of the supplier must sign handwritten receipts.

a. Purchases Made in Person

Retain the itemized receipt in addition to the credit card copy to properly substantiate the purchase.

b. Faxes or Mailed Purchases

A copy of the order as faxed or mailed and fax confirmation (if available) is required.

c. Internet Purchases

All of the following types of documentation are required where possible:

Print out of the completed online order form;
Printout of the online order confirmation; or
Printout of the e-mail confirmation.

Documentation for each purchase made with a City-issued credit card shall be turned into the Finance Department with the statement. If any finance or late charges are assessed due to the Finance Department not receiving adequate documentation and sufficient to pay a bill on time, the Cardholder will be responsible for reimbursing the City for those finance or late charges.

H. Preventing Fraud

The Cardholder should use basic security measures, as outlined below, to guard against fraud:

A. DO Keep the card in a secure location; guard the card number carefully

B. DO Save receipts and statements in a secure area (they may contain your card number).

C. DO Keep an eye on the card during the transaction, and retrieve it as soon as possible.

D. DO Always know where your card is. If you can't find the card, assume the worst: Notify the Director of Finance or his/her designee so that the account can be canceled.
E. **DO** Be aware of what you are signing. Your signature can copy through to other slips deliberately placed underneath.

F. **DO** Audit your monthly statement closely. Make sure all charges shown are legitimate charges.

G. **DO** Visit reputable, familiar merchants.

H. **DO** Report possible fraud immediately.

I. **DO NOT** Discard credit card slips in public areas, or discard them whole. Thieves can acquire your card number from receipts, slips and statements.

J. **DO NOT** Lend your card to anyone.

K. **DO NOT** Give your card number to anyone over the phone unless you know you are dealing with a reputable vendor.

I. **Unauthorized or Improper Use or Purchases**

A City credit card account **cannot** be used to purchase the following items:

a. Personal items

b. Alcohol and entertainment

c. Controlled substances requiring a DEA license

d. Employee relocation and relocation-related expenses

e. Purchases that involve signing an agreement, license, or contract (e.g., leases)

f. Rental agreements

g. Contracted or personal service providers – specific to unincorporated 1099 service providers (e.g., photography studios, dry cleaners, physicians, medical labs, etc.)

h. Any and all items considered to be illegal as established by existing laws

i. Donations

j. Fuel for a privately-owned vehicles or aircraft

J. **Misuse of Cards**

Cardholders are responsible for safeguarding the card. If misuse of the card is discovered, disciplinary action up to and including discharge from employment is possible. In the event of misuse of a City credit card account, the City may pursue legal prosecution.

Improper costs associated with prohibited purchase will be collected by requesting the employee voluntarily repay the City immediately. The City reserves the right to take any legal action it deems necessary to collect these charges.

Upon the first notice of suspected credit card abuse, the Department Head or employee should immediately advise the Director of Finance who will consult with the Law Director. Any
disciplinary proceedings regarding suspected credit card abuse shall be conducted as provided for in the City's employee handbook or civil service rules and regulations.

K. Cardholder Acknowledgement

I have read the foregoing Credit/Purchasing Card Policy and acknowledge that I understand it and will abide by its mandates.

____________________________________  _____________________________
Signature                                           Date

Print Name: __________________________________________
Title: _______________________________________________
Exhibit “A”

USE OF CREDIT CARD FORM

Date: ____________________________

Name: ____________________________

Department: _______________________

Description of item(s)/service(s) purchased: ______________________________________

______________________________________________________________________________

______________________________________________________________________________

Purchase Order Number: ____________________________

Requisition attached if purchase order has not been done properly. Request will be a then and
now due to the request not being completed prior to the purchase being made.

Attach original receipt(s) signed by the employee.

Employee Signature: ____________________________ Date: ____________________________

Card Holder Signature: ____________________________ Date: ____________________________
Exhibit “B”
Credit Card Sign Out Form

I __________________________ hereby acknowledge that I have taken possession of the City of Credit Card (type of card) __________________________ on ____/____/_______. By signing this form, I acknowledge that I will return the credit card within twenty-four (24) hours and submit the appropriate receipts and paperwork to my department head or the Finance Department. I also acknowledge that I will not write the credit card number down for use later on purchases without having used the credit card procedures. I acknowledge that I have read and understand the Credit Card Policies and Procedures of the City of . The credit card will not be used for personal purposes. I further agree that I will be held personally responsible for any improper items purchased or any late charges incurred because of my failure to provide the necessary receipts in a timely manner.

Card Checked Out:

Signature: ______________________ Time: __________ Date: ______________

Card Checked In:

Signature: ______________________ Time: __________ Date: ______________