

**VILLAGE OF THORNVILLE, OHIO
CREDIT CARD POLICY
ORDINANCE #19-01**

I. Purpose

The purpose of this policy is to ensure that Village credit card accounts are closely monitored in order to provide for maximum security of Village funds and to safeguard against misuse and/or losses of public funds for which the Village may be held liable. This policy is meant to comply with the mandates of 2018 H.B. 312, § 1, enacted by the 132nd General Assembly and made applicable to the Village as codified by O.R.C. § 717.31. All Village-issued credit cards are to be used solely for the purpose of conducting Village business and are not to be used in any event for personal expenses.

II. Authorized Personnel

Only the following Village officials and employees shall be issued and authorized to use Village credit cards:

Village Administrator
Village Administrative Assistant
Police Chief
Fiscal Officer
Sewer Superintendent
Street Superintendent

Village credit cards will not be issued to any other Village personnel beyond the above listed officers, unless approved by Council and requiring written amendment to this policy. All references to “employee(s)” and “cardholder(s)” in this policy refer to the aforementioned Village officials.

Before receiving a Village credit card, authorized employees must read this policy and complete an Employee Credit Card Account Agreement attached to this policy and incorporated herein by reference, which will be filed and maintained in the employee’s personnel file.

III. Compliance Officer

Upon appointment by the Mayor, the Clerk of Council shall serve as the Compliance Officer to perform the duties enumerated under this policy, maintain general oversight for reporting on all Village credit card accounts and presentation instruments related to the accounts, including cards and checks, and perform reviews of the Village’s credit cards as required by O.R.C. § 717.31(D). The Compliance Officer may not use a credit card account and may not authorize any Village officer or employee to use a credit card account.

Pursuant to O.R.C. § 717.31(D), the Compliance Officer and Council shall, at least quarterly, review the number of overall credit cards and accounts issued, the number of active credit cards and accounts issued, the cards' and accounts' expiration dates, and the cards' and accounts' credit limits. Additionally, the Compliance Officer is hereby designated by the Village Fiscal Officer to annually file the report with Council required by O.R.C. § 717.31(G), detailing all rewards received based on the use of the Village's credit card accounts.

IV. Acquisition, Use, and Management of Credit Card Accounts

The Fiscal Officer shall be responsible for the general acquisition of all new and existing Village credit card accounts, but will not retain general management, possession and control of the credit card accounts and associated presentation instruments, including cards and checks. Authorized cardholders will be solely responsible for the management, possession, and control of their issued credit cards at all times. Any new and/or additional credit card accounts to be opened in the Village's name for conducting Village business must be submitted by the Fiscal Officer to Council for approval. New credit card accounts will require an amendment and update to Section XI of this policy (identifying all Village credit cards and maximum limits).

V. Credit Card Issuance, Use, and Management

Credit cards will be issued to each authorized cardholder under this policy following the cardholder's completion of the attached Employee Credit Card Account Agreement. Cards will be issued in the name of the Village, and the Village's name shall appear on each presentation instrument related to the account including cards and checks, pursuant to O.R.C. § 717.31(B).

Consideration will be given to the frequency of usage (out-of-town travel, online purchases, etc.) as well as average monthly spending requirements when determining if an employee should be issued a Village credit card.

Employees are responsible for maintaining physical control over the card they are issued while the card is in their possession. All credit cards not in use and/or surrendered by employees leaving employment with the Village or found to be in violation of this policy will be secured by the Fiscal Officer in a safe or locked cash box in a secure drawer.

The Compliance Officer shall maintain a written list of all officials and employees permitted to use Village credit cards, along with a master list of all cards (and the names that appear on each card, if applicable). The Compliance Officer shall maintain both lists on file and keep them current.

VI. Authorized Credit Card Use and Expenses

The Village recognizes the efficiency and convenience afforded the day-to-day operation of the Village through the use of credit cards. However, credit cards shall not be used to

circumvent the general purchasing procedures required by Ohio law and the policies of the Village. Therefore, credit card purchases must receive the same level of approval by the Fiscal Officer as required for all other Village purchases. This may be done either (i) before the purchase; or, (ii) after the purchase when the Fiscal Officer and/or Administrator approves payment of the invoice. All purchases made with a Village credit card must relate to the exclusive purpose of conducting Village business. Personal purchases of any type are prohibited.

Authorized employees must:

- a. Limit use of Village credit cards exclusively to purchases necessary for conducting Village business. Examples of acceptable uses include, but are not limited to, business travel (including gasoline), office supplies purchases, merchandise purchases, and recurring software renewals and subscriptions.
- b. Immediately notify the Fiscal Officer of any unintended personal purchases made on a Village credit card, and the employee shall immediately reimburse the Village for such charges.
- c. Make every effort to ensure that Village credit card purchases do not include sales tax. Tax-exempt certificates are available upon request from the Fiscal Officer.

No single credit card purchase shall exceed a spending limit of One Thousand Dollars and No Cents (\$1,000.00) without prior approval of the Fiscal Officer that the funds are available.

Any rewards, rebates or awards earned through use of the Village credit card shall be immediately relinquished to the Village.

VII. Receipts

Detailed itemized receipts, issued by email and/or electronic register, for all purchases on the Village credit card must be retained, initialed or signed by the charging individual, and submitted to the Fiscal Officer by the end of the next business day, unless more time is allowed by the Fiscal Officer. Receipts should show the items or services purchased, date of purchase, and the amount charged. Failure to submit receipts and appropriate documentation may result in the charges being deemed unsubstantiated or unauthorized purchases.

In the event that an employee is unable to obtain a receipt after performing due care, or misplaces or loses a receipt, a Missing Receipt Form must be completed and submitted to the Fiscal Officer for review. Such requests will be reviewed on a case-by-case basis and evaluated depending upon the item or services purchased. A copy of the Missing Receipt Form can be obtained from the Fiscal Officer.

VIII. Returns

In the event that an item or service purchased with a Village credit card must be returned or exchanged for any reason, the cardholder is responsible for facilitating the return/exchange and requesting a credit to the account. All documentation regarding the return shall be submitted to the Fiscal Officer for verification of the credit by the end of the next business day, unless more time is allowed by the Fiscal Officer.

Cardholders may not receive cash back or in-store credits for any refunds or exchanges. Such amounts must be credited to the Village credit card account. If a supplier mistakenly issues a refund check, the refund check must be immediately submitted to the Fiscal Officer.

IX. Credit Card Reissuance and Cancellation

Reissuance of Village credit cards to any authorized employee(s), other than an employee previously found to have violated this policy, shall recommence under the same procedures and requirements described in this policy. Failure to comply with this policy may result in the employee having their Village credit card cancelled. The Fiscal Officer shall be responsible for requesting and facilitating any necessary cancellation of a Village credit card account and must notify Council of the same. Employees must surrender all Village credit cards within their possession upon separation of employment from the Village, or if found to be in violation of this policy, and the surrendered credit cards will be secured by the Fiscal Officer in a safe or locked cash box in a secure drawer.

X. Reporting Lost or Stolen Credit Cards

In the event that a cardholder suspects the loss, theft, damage to, or unauthorized use of a Village credit card, the cardholder shall immediately notify the Fiscal Officer. In turn, the Fiscal Officer shall immediately take the necessary steps to notify the issuing credit card agency, merchant, or financial institution in order to cancel and replace the credit card. Council shall be notified as soon as practicable.

XI. Maximum Credit Limits

The number of credit cards issued to the Village and its employees shall be limited to the following:

- i. Five (5) PNC Bank Visa credit cards will be available for use by authorized Village employees with a total maximum credit limit of \$5,000.00.
- ii. One (1) Staples credit card will be available for use by authorized Village employees with a maximum credit limit of \$4,000.00.

- iii. One (1) Lowe's credit card will be available for use by authorized Village employees with a maximum credit limit of \$5000.00.

Maximum credit limit amounts for Village credit cards shall only be adjusted by the Fiscal Officer upon prior approval by Council.

XII. Misuse of Credit Cards

Any use of Village credit cards for personal purchases is strictly prohibited and unauthorized. Such use may result in the employee losing all privileges to use Village credit cards, reimbursement paid to the Village, disciplinary action under applicable Village policy, and criminal prosecution under O.R.C. § 2913.21.

Cash advances on Village credit cards are not allowed under any circumstances. Village credit cards are not transferable. Employees are not permitted to lend their Village credit card to another employee or any other person to facilitate any transaction.

In addition, the following purchases on Village credit cards are strictly prohibited:

- a. Alcoholic beverages or tobacco products;
- b. Capital equipment and upgrades over \$5,000.00;
- c. Controlled substances;
- d. Items or services on term contracts (unless otherwise authorized by the Fiscal Officer and Council);
- e. Maintenance agreements;
- f. Personal items or loans;
- g. Donations;
- h. Any other items deemed inconsistent with Village policy or the Ohio Revised Code.

All actions or omissions by a Village employee resulting in a failure to comply with any provision of this policy shall qualify as misuse of a Village credit card account and will be subject to appropriate action.

Employee Credit Card Account Agreement

I, the undersigned, accept the terms of this agreement and have read and understand the terms of the Village of Thornville Credit Card Policy.

I acknowledge that any violation of these terms shall be immediate grounds for revocation of the credit card assigned to me and may subject me to appropriate disciplinary action, up to and including termination.

I acknowledge the Village credit card is to be used only for approved Village business, and agree to submit the appropriate documentation in accordance with the Village's credit card policy.

I acknowledge I will not use the Village credit card or other Village lines of credit for personal expenses, and agree to be personally liable and responsible for all personal expenses incurred by me on the Village credit card. In addition, I agree to reimburse the Village for all personal expenses charged by me to the Village credit card.

I acknowledge I will be held personally liable and responsible for all unauthorized expenses incurred by me that are not properly approved, or that do not have accompanying receipts. I agree to reimburse the Village for all unauthorized expenses charged by me to the Village credit card.

Upon separation of employment from the Village of Thornville, or if found to be in violation of this policy, I agree to surrender all Village credit cards issued to me and submit documentation for any outstanding charges to the Fiscal Officer.

Accepted By:

Cardholder Signature

Date

Cardholder (Print name)