

RECORD OF ORDINANCE

Date Presented 07/09/2024

Sponsor Mayor Sandline Ordinance No. 17-24 Date Passed Aug 13, 2024

AN ORDINANCE ESTABLISHING A CREDIT CARD POLICY AND DECLARING AN EMERGENCY.

WHEREAS, the village of Lithopolis is authorized by Sections 9.21 and 717.13 of the Ohio Revised Code to use a credit card to purchase certain goods and services;

WHEREAS, the state law and sound business practices require the village using a credit card for the purchase of goods and services to have a credit card use policy in place before it uses the credit card;

WHEREAS, the village council has reviewed the proposed credit card policy, attached and incorporated herein, to be sound and in compliance with state law;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE VILLAGE OF LITHOPOLIS, FAIRFIELD COUNTY, STATE OF OHIO;

Section 1. The village of Lithopolis hereby adopts the credit card policy, attached and incorporated herein.

Section 2. This Ordinance is hereby declared to be an emergency measure in that the public peace, safety, health and welfare of the inhabitants of the village are involved and specifically because the village must have a written policy providing strict guidelines for the use of the credit card, and the ability to use a credit card to pay for certain goods and services will enable the village to operate more efficiently without compromising financial responsibility. This Ordinance shall become effective and be in force immediately upon its passage by Council and signing by the mayor.

Attest/Date: Janita Flowers
Clerk

Approved as to form: Jon M. Browning
Jon M. Browning

Signed/Date: [Signature]
Mayor 8/13/24

First Reading 7/9/24 Second Reading 7/23/24

Revised Second Reading _____ Third Reading 8/13/24

VOTE FOR _____ AGAINST _____

CREDIT CARD USE POLICY

PURPOSE:

This policy establishes a written procedure for the use of credit cards to purchase goods and services for the official business of the village, and is intended to promote the efficient operations of the village, while protecting the village from misuse of the credit card.

I. DEFINITION

As used in this policy, "credit card" and "credit card account" means any bank-issued credit card account, store-issued credit card account, financial institution-issued credit card account, financial depository-issued credit card account, affinity credit card account, or any other card account allowing the holder to purchase goods or services on credit or to transact with the account, and any debit or gift card account related to the receipt of grant moneys. "Credit card" and "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.

II. POSITIONS AUTHORIZED TO USE CREDIT CARDS.

The officers or positions authorized to make purchases with the village credit card shall be limited to the mayor and the village administrator, or any other employee (except the fiscal officer) upon the provision of written permission by the mayor granted before use of the credit card. The fiscal officer is prohibited at all times from using the credit card to make purchases.

III. RESTRICTIONS ON USE OF CREDIT CARDS.

The types of expenses for which a credit card account may be used shall be limited to the following:

- Purchase of material and supplies from vendors when purchase orders, vendor account, or petty cash are not available or practical for immediate purchases. (Note: all procurement rules and reimbursement of expenses shall be applied to purchases made with credit cards.);
- Business meals and authorized travel expenses;
- Other expenditures as deemed necessary and as authorized and preapproved by the mayor, fiscal officer, or village administrator.

In all instances, when using the credit card to make purchases, the village's tax-exempt status shall be provided to a vendor so that sales tax is not charged. If a vendor fails to waive the tax, the user shall document his or her effort to have the tax waived and provide that documentation to the fiscal officer.

In all instances, for every purchase made with the credit card, including those made via the internet, telephone, or other electronic methods, the holder or user shall provide the fiscal officer with a detailed itemized receipt. The credit card signature slip showing only the amount charged shall not be considered sufficient documentation of the purchase made.

Use of the village credit care is limited strictly to purchases made for village purposes as outlined above, and shall never be used for personal items, personal use, or alcohol, even if the expense is later reimbursed to the village.

The user of the credit card who uses the credit card for the purchase of meals or travel expenses shall provide the fiscal officer, within thirty (3) days of the purchase, with the name of the person for whom the purchase was made, the names of others attending the meal or travel, and the business objective of the meal or travel.

If the credit card is used for the purchase of meals or travel expenses, the credit card holder or user shall also provide the fiscal officer, within thirty (30) days of the purchase, with a copy of all applicable travel authorizations and related documents and receipts, including, but not limited to, airfare, hotel, meals, tips, and ground transportation.

All receipts and related documents pertaining to the use of the credit card or credit card account shall be submitted to the fiscal officer within thirty (30) of use to assure timely processing and payment of the debt. Failure to submit receipts and related documents within thirty (30) days constitutes misuse of the credit card, and subjects the user of the credit card to personal liability for the expense; discipline, up to and including loss of eligibility to use the village credit card; demotion; and termination from employment.

IV. MANAGEMENT OF CREDIT CARDS.

The fiscal officer shall be responsible for procuring, oversight of use and management of the credit card account, and ensuring its proper use and payment thereof.

The fiscal officer, being in general possession and control of the credit card account and presentation instruments related to the account including cards and checks, and as authorized by council, shall keep accurate written records of those issued credit cards. The fiscal officer shall, upon providing the designated holder or user of a credit card, shall provide that person with a copy of this policy, and shall require that person to acknowledge in writing receipt of the policy.

V. COMPLIANCE OFFICER.

The fiscal officer shall be the designated compliance officer, and he or she, or his or her designee, shall be charged to ensure compliance with the provisions of this policy, and shall be responsible for administration of the credit card, to include, selection of the card provider, payment of the credit card bills, issuance and distribution and cancellation of credit cards, and ensuring proper use and preventing misuse.

VI. PROTECTION OF CREDIT CARDS.

The fiscal officer, or his or her designee, and each credit card holder or user shall be responsible to safeguard the credit card and credit card account number at all times. If the fiscal officer, village credit card holder or user, or any other public official, suspects loss or the possibility of unauthorized use of the credit card or account information, that person shall immediately notify the fiscal officer or mayor, orally and in writing, and shall state in as much detail as possible the circumstances giving rise to the concern of lost, theft, or misuse. The fiscal officer or mayor shall take immediate steps to determine the risk of loss and take those steps necessary to protect the village from loss, up to and including the immediate cancellation of the credit card, and reporting the loss, theft, or misuse of the credit card or account information to law enforcement.

VII. RECOVERY OF CREDIT CARD FROM INELIGIBLE USERS.

Upon separation from service or employment with the village, or if the fiscal officer or mayor determines that the credit card holder or user's position no longer qualifies for use of a village-issued credit card, the credit card holder or user must immediately return the credit card to the fiscal officer or designee. Failure to return the credit card to the fiscal officer or mayor upon demand shall qualify as "misuse of the credit card," and shall subject the holder or user to discipline, up to and including loss of eligibility to use the village credit card; demotion; or termination from employment.

VIII. MAXIMUM CREDIT LIMIT AND PURCHASE LIMIT OF CREDIT CARD.

The village's credit card account's maximum credit limit shall not exceed \$5,000 (Five Thousand Dollars).

No single purchase in excess of \$500 (Five Hundred Dollars) shall be made, unless previously approved, in writing, by the fiscal officer or mayor.

IX. MISUSE OF CREDIT CARD.

No employee, officer, or official of the village shall use the credit card for expenses beyond those authorized by this Policy. The use of a credit card account for expenses beyond those authorized by this policy constitutes misuse of a credit card account. Any employee, officer, or official, or employee who becomes aware of others misusing the credit card is subject to discipline, up to and including loss of eligibility to use the village credit card; demotion; or

termination from employment. Any employee, officer, or official suspected of misuse of the credit card shall also be subject to civil liability and criminal prosecution.

An employee, officer, or official of the village as defined under §2921.01 of the Ohio Revised Code who knowingly misuses a credit card account held by the village violates section §2913.21 of the Ohio Revised Code, and is subject to criminal prosecution.

X. CREDIT CARD ISSUED IN THE NAME OF THE VILLAGE.

The name of the village shall appear on each presentation instrument related to the account including cards and checks.

No village credit card shall be issued or authorized in the name of an individual.

XI. PROHIBITION OF USE OF CREDIT CARD BY FISCAL OFFICER.

The fiscal officer, being the compliance officer charged with oversight and the administration of the credit card and related accounts, shall not be eligible to use the credit card or related accounts to make purchases.

XII. REVIEW OF CREDIT CARD USE.

At least quarterly, the fiscal officer, or his or her designee, shall review the number of credit 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, and shall report this information to council.

At least annually, the Fiscal Officer, or his or her designee, determine all rewards and benefits received based on the use of the village credit card account, and shall report this information to council.

XIII. LIABILITY FOR MISUSE OF THE VILLAGE CREDIT CARD.

The employee, officer, or official using the village credit card shall be liable personally and individually, and upon any official bond the employee, officer, or official has given to the political subdivision, to reimburse the village the amount for which the officer or employee does not provide itemized receipts in accordance with the policy or for misuse of the credit card.