

AN ORDINANCE AUTHORIZING THE ADOPTION OF AN EMPLOYEE CREDIT CARD POLICY AND THE ADDITION OF THE POLICY AS DEFINED TO THE VILLAGE EMPLOYEE HANDBOOK

WHEREAS, Brewster Village Council desires to adopt an Employee Credit Card Policy and to modify the Village Employee Handbook to include an Employee Credit Card Policy.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE VILLAGE OF BREWSTER, THAT:

SECTION 1: The Village shall adopt an Employee Credit Card Policy as defined below and shall add Section 7.20 - Employee Credit Card Policy to the Village Employee Handbook as follows:

Section 7.20 Credit Card Policy

Objective:

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

A. Definitions

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

"Credit card account" does not include a procurement card account, gasoline or telephone credit card account, or any other card account where merchant category codes are in place as a system of control for use of the card account.

B. Procedure for Management of Credit Card Accounts

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

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

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

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

D. "Presentation Instruments" for All Credit Card Accounts

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

E. Procedure for use of credit card accounts

1) Appropriation and Encumbrance (Purchase Order)

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

- 2) Pre-approval by the Administrator, Appointing Authority, Clerk-Treasurer, or Department Head. Approval for purchases with Village credit cards must be obtained prior to purchases from/by the Administrator Appointing Authority, Clerk-Treasurer, and/or the Department Head.
- 3) "Debt" Incurred From Use of "Credit Cards"

"Debt" incurred as a result of use of a "vendor identification card" pursuant to this policy shall be paid from moneys appropriated to specific appropriation line items of the department for work-related expenses.
- 4) Itemized Receipts
 - For every transaction/use of a credit card, the user/purchaser must submit an itemized receipt to the Clerk-Treasurer or their designee as soon as practical, but in no event later than the return of the credit card.
 - The itemized receipt shall have the purchase order number written on it.
 - The itemized receipt shall have the purpose and/or "project" for which the purchase was made written on it.
 - For all travel related expenses, purchases must also comply with the itemized receipt requirements set forth in Employee Handbook Policy 5.14 Travel or 5.14MA Travel Mutual Aid.
 - A credit card statement will NOT suffice for itemized receipt.
 - Missing documentation (itemized receipts) may result in an employee being personally responsible for the purchase/expense, and/or may be considered misuse of a credit card.
- 5) Signatures on Credit Card Account Payments
 - At a minimum, two (2) signatures shall be required on all payments for credit card purchases.
 - A person who has made a credit card account purchase CANNOT also be an individual who authorizes payment
- 6) Concurrent Compliance with Electronic Signature Policy

Use of "credit cards" is also subject to the provisions of Ohio Revised Code Section 304.02, Ohio Revised Code Chapter 1306, and the Village of Brewster's Policy for Electronic Signatures.
- 7) No Copies

Never make a copy of a credit card.
- 8) Tax Exempt

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

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

- 1) Credit Card Account purchases MUST be for proper public purposes. Expenditures must be for authorized Village work-related expenses that benefit the Village. Examples of appropriate expenditures are:
 - Tools to complete Village tasks and owned by the Village, including online purchases.
 - Materials and/or supplies that are necessary for completion of a Village project, including online purchases.
 - Travel expenses (i.e. lodging, transportation, seminar fees, etc.) in accordance with Employee Handbook Policy 5.14 Travel or 5.14MA Travel Mutual Aid, including online purchases.
 - Motor vehicle repair and maintenance expenses for Village owned vehicles or equipment with prior authorization.
- 2) Credit Card Accounts CANNOT be used the following expenses:
 - Personal expenses, including, but not limited to entertainment, personal goods, personal services. Any purchase/use for personal benefit rather than the benefit of the Village (proper public purpose) is an unauthorized use and misuse of a credit card.
 - Alcohol.
 - Cash Withdrawals - No officer or employee of the Village shall make a cash withdrawal (to include additional cash with purchase).

- Refunds - No officer or employee of the Village shall accept a cash refund. ANY refund or credit for returned materials (goods) must be entered by the vendor against the "credit card" for the Village.
- Gift Cards - (exception – gift cards purchased by the Village Administrator or Village Clerk-Treasurer for the purpose of Employee Recognition pursuant to Employee Handbook Policy 3.16 – said purchases shall be tracked)

3) Late Charges or Finance Charges

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

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

- 1) The Village Administrator is an authorized credit card account user, with a maximum per credit card account of \$4,000.
- 2) The Mayor is an authorized credit card account user, with a maximum per credit card account of \$4,000.
- 3) The Village Clerk-Treasurer is an authorized credit card account user, with a maximum per credit card account of \$4,000.
- 4) The Village Superintendents of the Electric Department, Street Department, Wastewater Department, Water Department or their designee(s) are authorized credit card account users, with a maximum per credit card account of \$2,500.
- 5) The Police Chief and Fire Chief or their designee(s) are authorized credit card account users, with a maximum per credit card account of \$2,500.

H. Procedure for Reporting Lost or Stolen Credit Cards

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

I. Procedure for Cancellation of Credit Card Accounts

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

J. Misuse of a "credit card"

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

1) Criminal Penalty

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

2) Disciplinary Action

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

3) Liability

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

K. Annual Report of Rewards of Credit Card Accounts

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

L. Subject to Audit

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

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

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

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

M. Improper Expenditure

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

N. Signed Acknowledgement

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

SECTION 2: The above policy replaces any previous version of this policy and supersedes any current policy which may be in conflict with this policy.

SECTION 3: This ordinance shall be in full force and effect at the earliest date provided by law.

Mayor Michael E. Schwab

ATTEST:

Village Clerk Treasurer K. Kris King

CERTIFICATE

I, K. Kris King, hereby certify that the above is a true copy of an ordinance passed at a regular meeting of the Brewster Village Council held on January 22, 2019

Clerk K. Kris King

I, K. Kris King, Clerk of the Council of the Village of Brewster, State of Ohio, do hereby certify that there is no newspaper printed in said municipality and that publication of the foregoing ordinance was duly made by posting true copies thereof at five of the most public places in said corporation as determined by Council as follows: Office of Brewster Utilities, Belloni's IGA, Brewster Federal Credit Union, Post Office and Brewster Laundromat.

Clerk K. Kris King