

**CREDIT CARD POLICY  
VILLAGE OF SOUTH WEBSTER, OHIO**

**Objective:**

To ensure that all use of “credit cards” is in compliance with the requirements established by Ohio Revised Code, and to ensure 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.

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

- 1) The Fiscal Officer 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 Fiscal Officer shall be safeguarded when not in use.
- 3) The Fiscal Officer shall establish a system to sign out credit cards to authorized users.
- 4) The Fiscal Officer shall maintain a list of all authorized users.
- 5) The Fiscal Officer 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 Fiscal Officer 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 South Webster” 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 be established by the Fiscal Officer as needed.

### **2) Itemized Receipts**

- For every transaction/use of a credit card, the user/purchaser must submit an itemized receipt to the Fiscal Officer or their designee as soon as practical, but in no event later than the end of the month in which the purchase was made.
- 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 by the Village.
- 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.

### **3) 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

### **4) Concurrent Compliance with Electronic Signature Policy**

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

### **5) No Copies**

Never make a copy of a credit card.

### **6) 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.), 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

**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 Mayor is an authorized credit card account user, with a maximum per credit card account of \$1,000.00.
- 2) The Village Fiscal Officer is an authorized credit card account user, with a maximum per credit card account of \$1,000.00.
- 3) The Village Maintenance Supervisor is an authorized credit card account user, with a maximum per credit card account of \$1,000.00.

## **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 Fiscal Officer **immediately**, and subsequently make a report in writing. The Village Fiscal Officer, in turn, shall immediately notify cardholder services to place a hold on the relevant account.

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

The Fiscal Officer 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 South Webster 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 Fiscal Officer or their 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 Fiscal Officer and/or the Auditor of State to verify compliance with this policy and/or State law.

Auditing by the Village Fiscal Officer will be by periodic internal reviews of purchases via “**credit cards**”.

Any non-compliance discovered by the Village Fiscal Officer 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 Fiscal Officer 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 Village credit card. See Attachment "A."

**ATTACHMENT "A"**

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

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

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

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

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

Date \_\_\_\_\_