

RECORD OF ORDINANCES

Ordinance No. _____

Passed _____

ORDINANCE 2019-04

AN ORDINANCE TO AMEND AND REPLACE THE VILLAGE OF DOYLESTOWN CREDIT CARD POLICY, ORD. 2015-13 AND DECLARING AN EMERGENCY

WHEREAS, House Bill (H.B.) 312 of the 132nd General Assembly, Section 1, as codified and made applicable to the Village through O.R.C. § 717.31, sets forth regulations and requirements for local government entities and political subdivisions to adopt a written policy for the use of credit card accounts; and

WHEREAS, H.B. 312 establishes new safeguards for credit card use and seeks to reduce credit card abuse for all local government entities and citizens across Ohio; and

WHEREAS, specifically, H.B. 312 requires the Village to adopt a written policy for the use of credit card accounts addressing all of the following: (1) the officer or positions authorized to use a credit card account; (2) the types of expenses for which a credit card account may be used; (3) the procedure for acquisition, use, and management of a credit card account; (4) the procedure for submitting itemized receipts; (5) the procedure for credit card issuance, reissuance, cancellation, and the procedure for reporting lost or stolen credit cards; (6) each credit card account's maximum credit limit; and (7) the actions or omissions by an officer or employee that qualify as misuse of a credit card account; and

WHEREAS, all local government entities must adopt a written policy addressing these requirements by no later than three months after the effective date of H.B. 312, or by no later than January 31, 2019; and

WHEREAS, the Village of Doylestown previously adopted a written credit card policy in Section 9.14 Credit Card Policy of the Village of Doylestown Employee Handbook, which was last amended in 2015; and

WHEREAS, the Village's current credit card policy must be updated and amended in order to comply with these new requirements under H.B. 312 and codified by O.R.C. § 717.31; and

WHEREAS, Council for the Village of Doylestown now wants to amend its current credit card policy for the purpose of reflecting the requirements now in effect under H.B. 312, safeguarding the Village against credit card fraud and abuse, and promoting responsible acquisition, management, and use of Village credit cards.

NOW, THEREFORE, BE IT ORDAINED by the Council of the Village of Doylestown, County of Wayne, and State of Ohio:

SECTION 1: Section 9.14 of the Village of Doylestown Employee Handbook shall be amended and replaced as set forth in the document entitled "Village of Doylestown, Ohio Credit Card Policy" attached hereto as Exhibit A and incorporated herein by reference.

SECTION 2: All other Sections and Sub-Sections of the Village of Doylestown Employee Handbook, not specifically addressed in Exhibit A, shall remain unchanged, in effect, and enforceable.

SECTION 3: Council hereby expressly declares that the Village of Doylestown, Ohio Credit Card Policy attached hereto as Exhibit A shall serve as the exclusive written policy of the Village for the use of credit card accounts and shall apply to all employees, officers, and departments of the Village.

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SECTION 4: Council hereby creates the position of Credit Use Policy Compliance officer; said Compliance Officer shall be appointed by the Mayor and approved by Council; said Compliance Officer shall not be an authorized user of the Village credit account, nor may the Compliance Officer authorize the use of the Credit Card Account; and the Compliance Officer shall not be the Fiscal Officer.

SECTION 5: Any intentional acts or omissions, by an authorized signor and user, in violation of any provision of this ordinance shall be a misuse of the Village Credit Use Policy under O.R.C. 2913.21, which is a misdemeanor of the first degree.

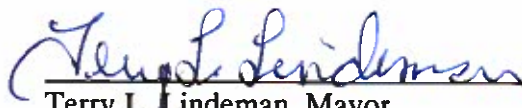
SECTION 6: It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of Council and that all deliberations of the Council and any of the decision making bodies of the Village of Doylestown which resulted in such formal actions were in meetings open to the public in compliance with all legal requirements of the State of Ohio.

SECTION 7: All prior legislation, or any parts thereof, which is/are inconsistent with this Ordinance is/are hereby repealed as to the inconsistent parts thereto.

SECTION 8: That this ordinance is hereby deemed to be an emergency by reason that council needs to implement this ordinance at the earliest possible time permitted by law for the public peace, health and safety and general welfare of the Village and shall be effective immediately, given the implementation deadline of January 31, 2019 established by H.B. 312.

Passed: January 16, 2019

Attest:



Terry L. Lindeman, Mayor



Kristen J. Robison, Clerk

Kristen J. Robison, Clerk

EXHIBIT A

**VILLAGE OF DOYLESTOWN, OHIO
CREDIT CARD POLICY**

A. Purpose

The purpose of this policy is to ensure that Village credit card accounts, including accounts for bank credit cards, gasoline credit cards, and retail credit cards, 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.

B. Authorized Personnel

Only authorized personnel shall be permitted to use Village credit cards. The Fiscal Officer shall retain control of all Village credit card accounts.

Each of the following Village officers shall be issued and authorized to use Village credit cards, as administered by the Fiscal Officer: Mayor, Fiscal Officer and Chief of Police. All references to “employee(s)” and “cardholder(s)” in this policy also include the aforementioned Village officers.

Other Village employees not named above may be issued Village credit cards upon request to the Fiscal Officer. Before receiving a Village credit card, authorized employees must 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.

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

The Fiscal Officer shall be responsible for the acquisition, use, and management of all new and existing Village credit card accounts and associated presentation instruments, including cards and checks. 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 to Section XI of this policy (identifying all Village credit cards and maximum limits).

D. Credit Card Issuance, Use, and Management

Credit cards may be requested for prospective cardholders by written request to the Fiscal Officer via the attached Employee Credit Card Account Agreement. Cards will be issued in the name of the employee with the Village’s name also listed.

Consideration should 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 use. Credit cards not being used for any extended period will be secured by the Fiscal Officer in a safe or locked cash box in a secure drawer.

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

The Fiscal Officer has the right to refuse to authorize the use of a credit card. In the case of a refusal, the employee’s Department Head may request Mayor’s authorization.

EXHIBIT A

E. 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 under the supervision of the Fiscal Officer. However, credit cards shall not be used to circumvent the general purchasing procedures required by Ohio law and the policies of the Village. Therefore, with the exception of gasoline credit cards, and unless otherwise approved by Council, all purchases made with a Village credit card shall be preceded by an approved purchase order.

Authorized employees must:

1. Verify that an approved purchase order has been created for the proposed transaction prior to using the credit card. If an approved purchase order does not currently exist, Council approval is required.
2. 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, office supplies purchases, merchandise purchases, and recurring software renewals and subscriptions. Personal purchases of any type are prohibited.
3. 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.
4. 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 Five Hundred Dollars and No Cents (\$500.00) without prior approval of the Fiscal Officer. If purchase is made without prior approval of the Fiscal Officer, a Then and Now purchase requisition shall be sent to the Fiscal Officer for said purchase at the first available opportunity. Any rewards, rebates or awards earned through use of the Village credit card shall be immediately relinquished to the Village.

F. Authorized Gasoline Credit Card Use and Expenses

Gasoline credit cards are distributed to, and used by, the Village Police Department, Village Water Department and the Village street maintenance/snow plowing employees, as administered by the Fiscal Officer. Gasoline credit cards shall only be used by Village Police Department, Village Water Department and the Village Street Department, Parks Department and Cemetery Department employees conducting business on behalf of the Village and which relate to the use of a Village Police Department, Village Water Department and the Village Street Department, Parks Department and Cemetery Department employees. Purchases made with gasoline credit cards do not need to be preceded by an approved purchase order. Use of gasoline credit cards shall in all other respects adhere to all procedures and requirements described in this policy.

G. 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, signed by the employee's departmental supervisor and Mayor, 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.

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H. 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.

I. 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 to the Fiscal Officer.

J. 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.

K. Maximum Credit Limits

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

1. **PNC Visa credit cards**
 - i. One (1) Visa credit card will be assigned to the Fiscal Officer with a maximum credit limit of \$8,000.
 - ii. One (1) Visa credit card will be assigned to the Chief of Police with a maximum credit limit of \$4,000.
 - iii. One (1) Visa credit card will be assigned to the Mayor with a maximum credit limit of \$8,000.
2. **WEX/Marathon gasoline credit cards – Credit Limit \$10,800**

All cards on this account are fuel only cards, which is listed on each card. There is a limit of \$100 per card per day.

 - i. Six (6) WEX/Marathon gasoline credit cards will be assigned to the Village Police Department, Each Village Police Department cruiser shall have a WEX/Marathon gasoline credit card assigned to it. The Village Police Officer or employee assigned to that cruiser is responsible for the use of the WEX/Marathon gasoline credit card;
 - ii. Parks Department has one (1) card in vehicle;
 - iii. Cemetery has one (1) card in Village Hall for sign out;
 - iv. Street Department has one (1) card in vehicle;
 - v. Water/Sewer Department has two (2) cards in the department vehicles
3. **ACME/The Fred W. Albrecht Grocery Company – Credit Limit \$500**
 - i. Two (2) credit/tax exempt cards were issued to the Village. Both are kept in the Office of the Fiscal Officer. The only authorized users on this card are the Mayor and Fiscal Officer.
4. **CVS – Credit Limit \$500**

EXHIBIT A

- i. Two (2) credit cards were issued to the Village. One is kept in the Police Department, and one is kept in the Office of the Fiscal Officer for sign out usage.
- 5. **LOWES – Credit Limit \$10,800**
 - i. Two (2) credit cards were issued to the Village. One is kept in the Office of the Fiscal Officer for sign out usage. Utilities Manager has one.
- 6. **SAM’S CLUB – Credit Limit \$11,000**
 - i. Four (4) credit cards were issued to the Village. The following employees are authorized to use the credit card: Fiscal Officer, Mayor, Utilities Manager, and Police Clerk.
- 7. **STAPLES – Credit Limit \$2,500**
 - i. Two (2) credit cards were issued to the Village. Both are kept in the office of the Fiscal Officer for sign out use.

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

L. 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:

- 1. Alcoholic beverages or tobacco products;
- 2. Capital equipment and upgrades over \$5,000.00;
- 3. Construction, renovation, and/or installation services;
- 4. Controlled substances;
- 5. Items or services on term contracts (unless otherwise authorized by the Fiscal Officer and Council);
- 6. Maintenance agreements;
- 7. Personal items or loans;
- 8. Donations;
- 9. Rentals (other than short-term automobile rentals); and,
- 10. 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.

M. Compliance Officer

The legislative authority shall appoint a compliance officer to perform the duties enumerated under division (1) of this section. 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 fiscal officer is not eligible for appointment as compliance officer.

- 1. The compliance officer, and the legislative authority 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.

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 Doylestown 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 discipline in accordance with the Village of Doylestown Employee Manual.

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 Doylestown or when requested by the Fiscal Officer, 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)

Fiscal Officer

Date

