

Inter-Office Correspondence

To: Police Chie D. Warman
Fire Chief K. Hardwick
Finance Administrator P. DePeel
Public Works Foreman T. Alderfer
Utility Chief Operator K. Bell

Ref: Village of Glendale Revised Credit Card Policy V1.14.19

As you all know, there are now mandates from the State of Ohio that require strict controls when using a municipal credit card.

Attached is the final version of the revised Glendale Credit Card Policies, Version 1.14.19. Effective Monday, 1.14.19 the polices shall go into effect. Prior to that time, please read, understand and sign for your copy of the polices. Return the signed receipt and statement that you understand the polices, and that you will abide by them, to Phyllis DePeel. Should you have any questions, do not hesitate to ask Phyllis or myself.

Walter Cordes
Village Administrator

Cc: D. Lofty, L. Abrams

Village of Glendale
30 Village Square
Glendale, Ohio 45215

Credit Card Use Policy
V 1.14.19

Adopted by the Village Administrator: January 14, 2019

Ratified by Council: 2.4.19, Res 2019-12

Overview: To ensure the efficient operation of the Village, credit cards may be issued to allow designated employees to make limited Village-related purchases and reservation confirmations pursuant to this Policy. Credit cards are not to be used to avoid normal purchasing procedures or for personal purposes. Use of a Village credit card by an employee or someone on behalf of an employee in violation of this Policy may result in disciplinary action against the employee, up to and including termination, and criminal charges.

Appointment of Compliance Officer: Pursuant to R.C. 9.21(C), the Village shall appoint the Village Solicitor as the Compliance Officer to fulfill all of the required statutory duties related to the Village credit cards. As a result of this appointment, the Village Solicitor may not use a credit card and may not authorize an officer, employee, or appointee to use a credit card.

Definition of Credit Card: For purposes of this Policy, a “credit card” shall be defined as a 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 or credit 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 cards include online purchasing accounts (e.g., Amazon Business which include the ability for local governments to set internal controls over employee spending) and store gift cards (not related to the receipt of grant monies). "Credit card" 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.

Debit Cards: Pursuant to R.C. 9.22, the Village shall not hold or utilize a debit card, except for limited law enforcement purposes.

Persons Authorized to Hold/Use Credit Cards: Credit cards may be issued to the Village Administrator, the Police Chief, the Fire Chief, the Finance Administrator, Chief Utility Operator, and the Public Works Foreman. Other individuals whose duties necessitate the use of a credit card may be issued a credit card upon the written approval of the Village Administrator. The Finance Administrator shall keep a list of all authorized cardholders, their titles, the written approval for the issuance of each credit card, if applicable, the credit card numbers, and the credit limit for each card. Only the cardholder may use the credit card issued to him/her and there will be no sharing of credit cards.

Name of Village to Appear on All Credit Cards: All credit cards issued to the Village shall bear on the front of the credit card the name of the Village and the name of the employee authorized to utilize the credit card. Each cardholder will be issued a credit card with a distinct credit card number.

Maximum Credit Limit: Maximum credit limits shall be established for each Village credit card, and the maximum credit limit per credit card shall be no more than \$3,000. Upon the written request of the cardholder and the written approval of the Village Administrator, the Finance Administrator may authorize the temporary increase of the maximum credit limit beyond the limit established by this Policy to accommodate extraordinary purchases or confirmations which are included in the Village's budget or authorized by the Village Administrator in writing.

Types of Expenses for Which Credit Cards May be Used: Employees issued Village credit cards may use the credit card to facilitate Village business and to make necessary Village purchases when the goods/reservations/services cannot be purchased on a vendor account.

Village credit cards may be used to purchase office supplies, automotive parts, or other merchandise or services necessary to conduct Village business. Credit cards may also be used to make online, in-person or telephone purchases, to confirm reservations, make travel arrangements and register for training. Under no circumstances may a Village credit card be used to purchase alcohol, to obtain a cash advance, or to engage in any other cash transaction.

No personal use of Village credit cards is authorized and no Village employee or official may authorize such use.

Reward Points: All reward points or discounts associated with a Village credit card belong to the Village and cannot be used for the personal benefit of any cardholder.

Tax-Exempt Status: Employees utilizing credit cards should be mindful of the Village's tax-exempt status and should make purchases on a tax-exempt basis in all practicable circumstances. Tax-exempt forms are available from the finance office (IRS Tax Identification #31-6001048).

Accidental Use of Credit Cards or Reward Points: Any employee who accidentally or mistakenly uses a Village credit card for personal purchases or mistakenly obtains or is awarded the benefit of Village Reward Points must immediately notify the Village Administrator and the Finance Administrator of the error. The error must be reported immediately after the employee knows or should have known that the error was made or within twenty-four (24) hours of receiving the Village credit card statement, whichever is earlier. The employee must directly reimburse the Village for the amount charged or the value of the Reward Points received upon notification of the error. Employees who fail to ensure proper procedures to avoid repeated accidental personal use of Village credit cards will have their credit card revoked and may be subject to disciplinary action.

Misuse of Credit Cards: The use of a Village credit card for expenses beyond those authorized by this Policy constitutes misuse of a credit card. Any employee who knowingly misuses a Village credit card may violate Section 2913.21 of the Revised Code and be subject to criminal prosecution and disciplinary action, up to and including, termination.

Procedures for the Management of Village Credit Cards:

- Credit Card Issuance/Reissuance: Once authorized by this Policy or by written approval of the Village Administrator, to receive a credit card, the employee may contact the Finance Administrator to begin the process of acquiring the credit card(s). Only the Finance Administrator is authorized to obtain credit cards and all credit cards issued will

be sent to, and activated by, the Finance Administrator. Employees receiving credit cards shall be required to acknowledge receipt of the credit card and to agree to the terms of this Policy in writing before receiving the credit card. The Administrative Assistant shall be responsible for delivering credit cards to authorized cardholders and for ensuring that the proper documentation is completed. Credit cards reissued for any reason shall follow the same process as that required for the initial issuance of credit cards.

- Credit Card Cancellation/Revocation: Credit cards may be revoked at any time by the Village Administrator for any reason including, but not limited to, failure to comply with the terms of this Policy, suspension from employment and extended leave of absence. Revoked credit cards must be immediately surrendered to the Village Administrator or Finance Administrator upon demand. Credit cards must also be surrendered to the Finance Administrator upon termination of employment.
- Maintaining Security of Credit Cards/Reporting Lost or Stolen Credit Cards or Fraudulent Use: Each cardholder is responsible for the security and safekeeping of his/her credit card and must take reasonable steps to insure the security and confidentiality of the credit card, the account number, expiration date, and the card verification value (CVV) number. In the event of a lost or stolen credit card, or if the cardholder discovers or is advised of unauthorized transactions using his/her credit card, the cardholder shall immediately notify the Village Administrator and the Finance Director. The Finance Administrator shall immediately notify the appropriate company and cancel the credit card. Failure to notify the Village Administrator and the Finance Administrator immediately after the cardholder knows or should have known that his/her credit card was lost, stolen, or fraudulently used may result in the revocation of the credit card and disciplinary action.
- Reconciling Credit Card Statements/Paying Credit Card Balances: Employees utilizing credit cards must retain itemized credit card receipts for every expenditure. Each cardholder shall receive an individualized statement each month. Within ten (10) business days of receiving the statement, the cardholder must submit the statement with all receipts attached thereto to the Finance Administrator for payment. The Finance Administrator is designated by the Fiscal Officer to accept itemized credit card receipts on his behalf. The cardholder shall indicate approval of each expenditure and note the expenditure fund number (or reason for expenditure). If a detailed receipt is not available, the cardholder must provide a list of the purchased items with the date and reason why the receipt is not presented. Any cardholder who cannot provide the itemized credit card receipts for his/her credit card expenditures more than five (5) times per year may have his/her credit card revoked by the Village Administrator. The Finance Administrator shall be responsible for ensuring that all credit card statements are reconciled and paid on time.

Review of Credit Card Status by Compliance Officer and Board: At least once every quarter, the Compliance Officer and the Village Council shall review the following:

1. The number of cards and accounts issued;
2. The number of active cards and accounts issued;
3. The cards' and accounts' expiration dates; and
4. The cards' and accounts' credit limits.

Annual Report of the Fiscal Officer: The Village Clerk or the Clerk's designee annually shall

file a report with the Village Council detailing all rewards received based on the use of the Village's credit card account when applicable.

Employee Acknowledgment

I have read the forgoing 2019 Credit/Purchasing Card Policy. V1/14/19, and acknowledge that I have been provided a copy of it, that I understand it, and that I will abide by its mandates.

Signature

Date

Print Name: _____

Title: _____