

VILLAGE OF PENINSULA, OHIO

ORDINANCE NO.: 03-2019

INTRODUCED BY: FISCAL OFFICER Deborah Wordell

DATE PASSED: MARCH 11 2019

**AN ORDINANCE REPEALING AND REPLACING SECTION 147.10 OF THE
CODIFIED ORDINANCES RELATING TO USE OF VILLAGE CREDIT CARDS**

WHEREAS, Ohio House Bill 312 and Ohio Auditor of State Bulletin 2018-003 require the legislative authority of certain political subdivisions to adopt a credit card policy that contains certain specified provisions to assist in ensuring the proper use of credit and debit cards; and

WHEREAS, Council desires to repeal and replace Section 147.10 of the Administrative Code in order to comply with the requirements of House Bill 312 and Ohio Auditor of State Bulletin 2018-003.

NOW, THEREFORE, BE IT ORDAINED by the Council of the Village of Peninsula, Summit County, Ohio, to wit:

SECTION 1. Council hereby repeals Section 147.10 of the Administrative Code relating to the use of Village credit cards and replaces that section with the new version of Section 147.10 that is attached to this legislation.

SECTION 2. All formal actions of this Council concerning and relating to the adoption of this Ordinance were taken in an open meeting of this Council, and all deliberations of this Council or any of its committees that resulted in such formal action were taken in meetings open to the public and/or in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

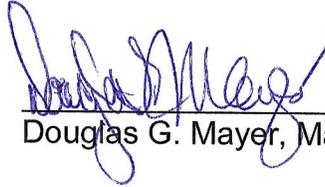
SECTION 3. This Ordinance shall take effect and be in force as of the earliest date permitted by law.

SECTION 4. Effective Date. This Ordinance shall take effect on the 11 day of MARCH, 2019.

ORDINANCE 03-2019
PAGE TWO

IN WITNESS WHEREOF, we have hereunto set our hands this 11 day
of MARCH, 2019.

Passed:



Douglas G. Mayer, Mayor

Attest:

Deborah Wordell, Fiscal Officer

Approved as to Legal Form.



Bradric T. Bryan, Solicitor

I, Deborah Wordell, Fiscal Officer of the Village of Peninsula, Summit County, Ohio, do hereby certify that the foregoing Ordinance was duly passed by the Council of the Village of Peninsula, at a meeting held on the 11th day of MARCH, 2019.



Deborah Wordell, Fiscal Officer

Posting Certificate

I, Deborah Wordell, Fiscal Officer of the Village of Peninsula, Summit County, Ohio, hereby certify that there is no newspaper published in the Municipality, and publication of the foregoing Ordinance was made by posting true and accurate copies thereof at five of the most public places in the Village as previously determined by Council, each for a period of at least fifteen days, commencing on the 11th day of MARCH, 2019, as follows:

1. Terry Lumber & Supply;
2. Valley Fire District;
3. Peninsula Library & Historical Society;
4. Peninsula Village Hall Lobby; and
5. Peninsula Post Office.



Deborah Wordell, Fiscal Officer

147.10 USE OF VILLAGE CREDIT CARDS.

(a) Purpose. This Credit Card Policy is issued in compliance with Ohio House Bill 312 and Ohio Auditor of State Bulletin 2018-003 and is intended to insure the proper use of Village credit cards and debit cards.

(b) Definitions.

1. Credit Card Account. Any bank issued credit card account, financial institution-issued credit card account, financial depository-issued credit card account, or any other card or credit account allowing the holder to purchase goods or services on credit, and any debit or gift card account related to the receipt of grant monies. A Credit Card Account shall include online purchasing accounts (which include the ability to set internal controls over employee's spending) and store gift cards (not related to the receipt of grant monies).

2. Procurement Card Account. A card issued to designated users to make purchases at selected businesses. Procurement cards can be tied to either a credit card or bank account. Security measures for procurement cards include setting per-purchase and per-month dollar limits. Procurement cards may also feature spending restrictions for the types of purchases allowed and merchant category codes which define where purchases can and cannot be made. A bank that manages a procurement card will issue payments to payees within days, while providing monthly invoicing to the Village. The Fiscal Officer and appropriate department head must review and approve those invoices prior to payment.

3. Gasoline Card. A card utilized strictly for fuel and automotive supplies, parts, repairs, or purchases.

4. Presentation Instrument. Any card, check, or account number which can be used to purchase goods or services, including online purchasing accounts.

5. Debit Card Account. A card account issued by a financial institution which allows the holder to transfer money electronically to another bank account when making a transaction. For the purposes of this Policy, a debit card also includes: a single-use cash gift card (not related to the receipt of grant monies) with a set dollar amount that may be accepted by any retailer that is void upon spending the balance or expiration; and a prepaid gift card (not related to the receipt of grant monies) that is reloadable, unlike a cash gift card.

6. Bank Credit Card. A general spending credit card issued by a bank in the name of the Authorized User and the Village.

7. Store/Company Credit Card. A credit card that can only be used for the purchase of goods at or from a specific store or retailer.

8. Store Gift Card. A credit card that is preloaded with a set dollar amount that may be used only at a specific retailer.

9. Card Account. All of the accounts defined in this Section A may be collectively referred to herein as "card accounts".

(c) Authorized Users of Village Cards. The Mayor, Fiscal Officer, Police Chief, Street Commissioner, Service Department Supervisor, and Administrative Clerk may, but are not required to, be issued Village bank cards imprinted with their name and the Village of Peninsula. Store or Company credit cards may be issued to and in the name of the above persons or may be issued just in the name of the Village. Procurement and gasoline cards may be used by members of the Police and Service Departments in accordance with the provisions of this Policy and any rules or directives of those departments regarding the use of the cards.

(d) Authorized expenses. Village cards may only be used for expenses related to Village operations, travel and meetings, Village vehicles, Village equipment and supplies, and Village maintenance needs.

(e) Management of Card Accounts.

1. For cards issued in the name of the Village and an authorized user:

A. Each time an authorized user is hired by or takes office with the Village, the bank, store, or retailer shall be notified in writing by the Fiscal Officer. The bank, store or retailer's card application form shall be signed by the Fiscal Officer, the Mayor, and the authorized user, who shall also provide the bank with a copy of his/her driver's license and any other documentation the bank may reasonably require prior to the issuance of the card.

B. Upon separation from employment or office with the Village, authorized users shall return their cards to the Fiscal Officer, who shall be responsible for the cancellation and destruction of the cards.

C. Authorized users shall retain control over and be solely responsible for securing the cards issued to them and shall immediately report a lost or stolen card to the bank, store, or retailer and the Fiscal Officer. The card shall only be reissued upon the request of the Fiscal Officer, who shall be responsible for obtaining the replacement card.

2. For cards issued only in the name of the Village that are maintained in the general possession of the Fiscal Officer and signed out to authorized users pursuant to the following system:

A. The Fiscal Officer or his or her designee has prepared a card sign out sheet for each Village card of this type, requiring the name of the authorized user signing out the card, the date and time the card was signed out, the signature of the authorized user signing out the card, and the signature of either the Mayor, Fiscal Officer, Fiscal Office Assistant, or Administrative Clerk (confirming that the card was signed out by the authorized user and the

information on the sheet for that card sign out is correct).

B. When the card is returned, the Mayor, Fiscal Officer, Fiscal Office Assistant, or Administrative Clerk will indicate on the sign out sheet the date and time the card was returned. The authorized user returning the card will also sign the sheet indicating the information on the form for that sign out and return of the card is correct and complete.

C. The above requirements establish a two-step verification process as to the date and time the card was signed out and returned and the person that signed out and returned the card.

D. While the card is signed out, the person signing out the card retains control over and is solely responsible for securing the card. In the event the card is lost or stolen while the card is signed out, the person signing out the card shall immediately report the lost or stolen card to the bank, store, or retailer and the Fiscal Officer. Thereafter, the Fiscal Officer shall be responsible for obtaining the replacement card.

E. For gasoline cards that are maintained by the Police Department or Service Department, the department member utilizing the card shall follow all department rules or directives regarding the use of the card such as the purposes for which the card can be used and indicating the employee using the card's identification number, the identification number of the vehicle getting the fuel or equipment, and the mileage of the vehicle.

(f) Card Checks. The Village does not maintain or authorize the use of checks associated with card accounts.

(g) Debit Cards. The Village does not maintain or authorize the use of debit cards unless specifically deemed necessary for use by the Police Department for a law enforcement purpose. The requirements of this Policy do not apply to debit card accounts related to the receipt of grant monies.

(h) Purchase Authorization and Submission of Receipts. When a purchase for items other than those covered by blanket purchase orders are anticipated, a purchase order requisition is prepared by the authorized user making the purchase, the department head of the authorized user making the purchase or his or her designee, or a department assistant with the authorization of the department head. The purchase order requisition must be authorized and signed by the department head. The purchase order requisition is submitted to the Fiscal Officer so that a purchase order can be prepared or it can be determined that a purchase order is already in place with sufficient funds. Once the purchase has been made, the authorized user making the purchase must submit the receipt or an online order confirmation to the Fiscal Officer for attachment to the purchase requisition. If a cash register receipt does not contain an itemized description of the item(s) purchased, the authorized user shall write it on the receipt prior to submission.

(i) Tax Exempt Status. The Village of Peninsula is exempt from Ohio sales taxes,

and authorized users shall inform in-state suppliers of this exempt status and provide a copy of the Village's Tax Exempt Certification if necessary.

(j) Misuse of Card Account. The following acts or omissions constitute misuse of a card account and may subject employees to disciplinary action up to and including termination of employment and/or criminal prosecution:

1. Any purchases not first authorized by the department head (with the exception of gasoline purchases).
2. Any purchases of alcoholic beverages.
3. Purchases that are for personal use and not Village business.
4. Cash advances.
5. Allowing any individual other than the authorized user named on the card (or an authorized user in the case of Village cards in the custody and control of the Fiscal Officer) to use the card.
6. Use of the card to make any purchase that violates any Village policy or the State of Ohio Ethics Law prohibiting business transactions that are or may be perceived as a conflict of interest (i.e., purchases from a business in which the authorized user, a family member, or a business associate has a financial or other interest).
7. Receipt of cash refunds or in-store credit for any returns or exchanges. Such amounts must be credited back to the card account. If a supplier issues a refund by check or other means, it must be submitted to the Fiscal Officer within five (5) days of its receipt by the authorized user.
8. The authorized user is personally liable and liable upon any official bond he/she has given to the Village to reimburse the Village for any and all amounts for which the authorized user does not provide itemized receipts in accordance with the procedures described in division G of this section of the Policy.
9. The use of a card account for expenses beyond those authorized by Council.
10. An officer or employee of the Village, or a Village public servant as defined under Section 2921.01 of the Revised Code, who knowingly misuses a card account held by the Village violates Section 2913.21 of the Revised Code.
11. Possession or use of a debit card account by a political subdivision, except for law enforcement purposes or accounts related to the receipt of grant monies, is a violation of Section 2913.21 of the Revised Code.
12. The receipt of any personal benefit from the use of the Village card, including benefits from any award or reward program association with the card or the use of said card.

(k) Compliance Officer and Review. The Mayor shall appoint a Compliance Officer, who may not be the Fiscal Officer or an authorized user. On at least a quarterly basis, the Compliance Officer, with the assistance of Council, shall review the number of cards and accounts issued, the number of active cards and accounts issued, the cards' and accounts' expiration dates, the cards' and accounts' credit limits, and all card statements for the previous quarter. On an annual basis, the Fiscal Officer shall file a report with Council detailing all rewards received based on the use of the Village's card accounts.

PRESENTLY EXISTING VILLAGE CARD ACCOUNTS

The Village presently has the following card accounts.

Bank Credit Cards

None at this time

Store/Company Credit Cards

Village of Peninsula Lowe's Card

Village of Peninsula Costco Card

Village of Peninsula Gasoline Cards

Voyager Gasoline Cards, 9 in total, with a per day credit limit of \$200.00. One card for this account is located in each Village Police and Service Department vehicle. This account requires each employee using the card to put in their employee identification number, the id number of the vehicle receiving the fuel or equipment, and the mileage of the vehicle, each time the card is used.

I have read and understand the terms of this Use of Village Credit Card Policy.

Print Employee Name

Employee Signature

Date

~~147.10 EMPLOYEE USE OF VILLAGE CREDIT AND PURCHASE CARDS.~~

~~(a) The head of each Village department shall authorize any necessary Village employee to use a Village credit card. No Village employee shall use a Village credit card without prior approval from his or her department head.~~

~~(b) Any department head that issues a Village credit card to a Village employee must maintain all receipts and invoices related to the use of the cards. The department head is also responsible for verifying that proper procedures are followed for the use of credit cards.~~

~~(c) Village employees shall obtain a receipt at the time of purchase and shall provide all receipts for all purchases to his or her department head or other authorized person within the department.~~

~~(d) Village employees are prohibited from using the Village credit cards for personal uses or non-Village related business. Village employees are prohibited from receiving any personal benefit from the use of the Village credit card, including benefits from any award or reward program associated with the card or the use of said card. Village employees are prohibited from using the card for cash advances, money orders, traveler's checks, or the purchase of alcohol, entertainment, recreation, amusement or any inappropriate goods or services.~~

~~(e) Village employees shall abide by the provisions of Section 147.12 relating to travel plans if the Village employee uses a Village credit card for travel expenses. Furthermore, Village employees may only use a Village credit card for travel expenses related to Village business.~~

~~(f) Village employees shall maintain possession of the Village credit card at all times and are responsible for the security of the card to prevent unauthorized use of the card. In the event a Village employee loses a card or learns that the card was stolen, the Village employee must immediately report the loss or theft to his or her supervisor and/or the appropriate reporting authority to cancel that particular card.~~

~~(g) Village employees may purchase gasoline or fuel with Village credit and/or purchasing cards only upon authorization from their department head. Any gasoline or fuel purchase shall only be for use in Village owned or leased vehicles unless written approval has been given by the Village employee's department head or supervisor. If gasoline or fuel is purchased for use in a private vehicle for use in Village related out-of-town travel, the Village employee will not receive a reimbursement for mileage during the travel.~~

~~(h) Any misuse of the Village credit and/or purchasing card by a Village employee and any failure to abide by the terms and conditions of this section and/or the terms and conditions of the "Village of Peninsula Credit & Purchase Card Policy" may be grounds for disciplinary action, including termination of employment and/or referral for criminal prosecution.~~
(Ord. 3-2014. Passed 1-13-14.)