

Sponsor: Spangler

ORDINANCE NO. 2022-21

**AN ORDINANCE AMENDING THE WRITTEN CREDIT CARD POLICY FOR THE CITY OF WELLSTON**

WHEREAS, the City of Wellston is required to have a written “credit card policy” for use by its employees purchasing goods or services for the benefit of the City, and

WHEREAS, the City of Wellston had previously adopted a written policy for credit card use, and

WHEREAS, the City of Wellston desires to amend its policy to fit the City’s need. A copy of said amended policy is attached hereto as Exhibit A.

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF WELLSTON, COUNTY OF JACKSON AND STATE OF OHIO:**

**Section One:** That the City of Wellston hereby amends the “credit card” policy of the City of Wellston and adopts the amended policy attached hereto.

**Section Two:** This Ordinance is hereby declared to be an emergency, necessary for the immediate preservation of the public peace, health or safety of the City of Wellston, in that it is necessary to approve this additional appropriation in order that expenses can be timely paid as incurred and in accordance with the city’s obligations. Therefore, this Ordinance shall go into effect upon passage and approval by the Mayor, as provided in the Ohio Revised Code Section 731.30.

**Section Three:** In the event this Ordinance receives a majority vote for passage but fails to receive the required number of votes to pass as an emergency, this Ordinance shall be deemed to have passed but with no emergency clause, and shall take effect at the earliest time permitted by law.

**Section Four:** It is hereby found and determined that all formal acts of this council concerning and relating to adoption of this Ordinance were adopted in an open meeting of this council and the deliberations of the council and any of its committees that resulted in such formal action were in meetings open to the public and in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

PASSED AND ADOPTED by the legislative authority of the City of Wellston this 5<sup>th</sup> day of May, 2022.

  
\_\_\_\_\_  
Council President

ATTEST:

  
\_\_\_\_\_  
Clerk of Council

Approved this 5<sup>th</sup> day of May, 2022.

  
\_\_\_\_\_  
Mayor

Published in accordance with the law on \_\_\_\_\_ and \_\_\_\_\_ and posted \_\_\_\_\_ through \_\_\_\_\_ at The Store, Wellston City Hall, Wellston Senior Citizens' Center, the Wellston Public Library and the Wellston Post Office.

  
\_\_\_\_\_  
Clerk of Council

Approved by: Randy H. Dupree, Law Director, City of Wellston

## EXHIBIT A

### CREDIT CARD ACCOUNT POLICIES AND PROCEDURES

#### **PURPOSE**

The City Council of Wellston City through Ordinance established a Credit Card Account Policy per the Ohio Revised Code as amended by House Bill 312. This policy and procedures is intended to ensure that appropriate internal controls are established within each department procuring with credit card accounts so that they are used for authorized purposes only.

#### **SCOPE**

As used in this policy and procedures "Credit card account(s)" means any bank issued credit card account, store-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(s)" 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 the use of the card account. This policy strictly prohibits the use of debit card accounts for any purpose other than law enforcement purposes and debit accounts related to the receipt of grant money.

#### **OFFICERS AND POSITIONS AUTHORIZED TO USE A CREDIT ACCOUNT**

##### Position

1. Service Director
2. Police Chief
3. Fire Chiefs
4. Water Plant Supervisor
5. Department Heads  
(as approved by Service Director)

#### **TYPES OF EXPENSES**

##### **Prohibited Expenses:**

The following purchases are strictly prohibited:

1. Alcoholic beverages
2. Personal purchases
3. cash advances
4. Items or services on term contracts unless approved by the auditor
5. Utility Payments
6. Phone and Wireless Services
7. Maintenance agreements unless approved by the auditor

8. Purchases not related to the business of the City

**Allowed Expenses:**

1. Travel/Training- Expenditures related to travel and training such as registration, accommodations, parking, meals, and airline tickets.
2. Supplies - If not available through a purchase order or in emergency situations. Food for group events or for emergency situations.
3. Other city related expenses that are not prohibited above.

**Parking Charges**

1. Parking charges will only be covered with a receipt stating the charge. The date on the parking receipt must match the approved travel dates on the Travel/Training form.

**PROCEDURE FOR ACQUISITION, USE AND MANAGEMENT OF A CREDIT CARD ACCOUNT ACQUISITION OF AN ACCOUNT**

The procedure for establishing a credit card account or a store-issued credit card account is as follows:

- 1) Only a Department Head or Elected Official may request to open a credit card account or a store issued credit card account.
  - (a) DEPARTMENT HEAD- Submit request to Mayor. Mayor approves and sends to Auditor for final approval.
- 2) The Auditor is responsible for processing the application, including signing the application and assigning the credit limit.
- 2) The name of the City of Wellston must appear on each presentation instrument related to the account including all cards and checks.

**USE AND MANAGEMENT OF AN ACCOUNT**

- 1) Before any purchases are made, the department head, or their designee, should verify that a purchase order has been approved for the related expenses. If the card will be used for travel and registration, a Travel/Training Expense form must be approved.
- 2) Employees should make every effort to ensure that purchases do not include sales tax. Tax-exempt certificates are available through the Auditor's office. Sales tax may be paid for minimal expenditures from one-time vendors who refuse the exemption, but sales tax should not be paid where the purchases are for more substantial expenditures. The official and employee may be personally responsible for payment of sales tax. Exceptions will be made for online vendors who do not recognize our tax-exempt status.
- 3) Officers and employees are responsible for all charges made to the card. Detailed itemized receipts for each charge on the account must be retained and attached to the voucher. A printed copy of the completed online purchase must be provided for all online purchases.

4) Detailed receipts must be retained and promptly given to the employee's department head, or their designee. Failure to provide receipts will result in the employee's responsibility for the charges.

5) Monthly statements will be sent to the Auditor's Office.

a) Upon receipt of the statement the receipts will be matched to the detailed charges and vouchered per the Auditor's office vouchering procedure.

b) Any items that do not have a receipt will be the personal responsibility of the card user.

c) Bills will be vouchered and paid in a timely manner to not incur late charges/fees.

i) If late fees are incurred it is the responsibility of the department head, or their designee, to request the charges removed.

ii) The payment of late fees on habitually tardy bills will become the responsibility of the department head, or their designee.

6) Card statements are reviewed monthly by the Auditor's office for unauthorized charges and other discrepancies.

**Credit cards are to be returned to the City immediately upon ending employment.**

Quarterly, all departments with credit card accounts must report the following information to the Auditor and the legislative authority.

1. Lost or stolen cards
2. Cards and accounts issued during the quarter
3. Number of active cards and accounts
4. Expiration dates of all cards
5. Credit limits for all cards
6. Incentives/Rewards

**PROCEDURE FOR CREDIT CARD ISSUANCE, REISSUANCE AND CANCELLATION**

Employees are required to sign the "Credit Cardholder Agreement" (attachment A) prior to issuance of a credit card. This will be monitored by the department head or their designee.

The City Auditor is authorized to revoke the use of any credit card issued and immediately require the surrender of the credit card.

Once a card is determined as unnecessary/unneeded the following steps must be taken:

1. The department head is required to inform the SSD and the Auditor of the unneeded card.
2. The department head needs to contact the issuing bank and request that the card be canceled.

3. Once the card is canceled it should be destroyed.
4. The department head, or their designee, will report the canceled card to the Auditor and the legislative authority on their quarterly report.

**REISSUANCE** - Lost or stolen cards will be reviewed for reissuance based on circumstances.

### **USE OF A CREDIT CARD ACCOUNT**

**Authorized Users.** Council may authorize an officer, employee, or appointee to use a Credit Card Account from time to time. The list of people authorized to use a Credit Card Account, and their position with the City is contained on Exhibit B (the "Authorized User List") attached to this Policy. The Authorized User List should be updated by the Council, its designated representative, or the Auditor each time a person is added or removed from such list.

### **REPORTING LOST OR STOLEN CARD**

Lost or stolen cards must be immediately reported to the department head, or their designee. Once reported, the department head, or their designee, will call the bank or store, and the Auditor's office to report the card as lost or stolen.

### **MAXIMUM CREDIT LIMITS**

<u>Position</u>	<u>Authorized Limit</u>
1. Service Director	\$10,000
2. Police Chief	\$10,000
3. Fire Chiefs	\$10,000 (total)
4. Water Plant Supervisor	\$10,000 (per E.P.A.)
5. Department Heads	\$10,000

### **TEMPORARY LIMIT INCREASE**

The Mayor and/or City Auditor may approve a temporary increase in the maximum credit limits when it is determined that the set maximum limit will not be adequate to cover a necessary purchase that is must be made immediately to perform the duties of the Department for which the purchase is to be made. This increase shall only be for the minimum period of time needed to make the purchase at issue and authority to exceed the maximum limit shall be given sparingly on a case by case basis.

### **INCENTIVE PROGRAMS/REWARDS**

Any incentives/rewards derived by the use of the City's credit card will be the property of the City. All incentive/rewards must be reported to the Auditor quarterly.

### **PERIODIC REVIEW**

The city auditor must present monthly to the legislative authority credit card account transaction detail from the previous month. The legislative authority must review the credit card account transaction detail and the presiding officer of the legislative authority must sign an attestation stating the legislative authority reviewed the credit card transaction detail.

The city auditor, or a designee, annually must file a report with the legislative authority detailing all rewards received based on the use of the municipal corporation's credit card account.

### **STATE AUDITOR REPORTING**

Annually the Auditor's Office shall file a report with the Auditor of State detailing all rewards received by the City based on the use of a credit card account.

(The Auditor of State shall promulgate rules detailing the manner in which a city shall report to the Auditor of State rewards received by the city for the use of a credit card account.)

ATTACHMENT A  
CITY OF WELLSTON CREDIT  
CARDHOLDER AGREEMENT

Requirements for use of a Municipal Credit Card (including store credit):

- 1) The credit card is to be used only to make purchases at the request of, and for the legitimate business benefit of, The City of Wellston, Ohio.
- 2) The credit card must be used in accordance with the provisions of the Credit Card Policy and Procedures established by the City of Ohio, as attached hereto.

Violations of these requirements may result in revocation of use privileges. Employees found to have inappropriately used the credit card will be required to reimburse the City of Wellston for all costs associated with such improper use through direct payment or payroll deduction. Disciplinary action(s) may be taken up to and including termination. The City of Wellston will investigate and commence, in appropriate cases, criminal prosecution against any employee found to have misused the credit card or who violates the provisions of the cardholder agreement.

Credit Card Account Number: \_\_\_\_\_

Received by:

\_\_\_\_\_  
NAME (Please Print)

I acknowledge receipt of the attached Credit Card Policy and Procedures and agree to abide by said Policy and Procedures.

Signature: \_\_\_\_\_

Date : \_\_\_\_\_

(Below, for City Use Only)

CREDIT CARD RETURNED

Authorized Signature: \_\_\_\_\_



