

RESOLUTION #17-0320-06

Approving Liberty Township Credit Card Policy

WHEREAS, it is in the best interest of Liberty Township to have an approved Credit Card Policy to ensure all Township issued credit cards are issued, used and monitored in compliance with all applicable rules and regulations.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF LIBERTY TOWNSHIP, DELAWARE COUNTY, OHIO THAT to approve the attached Liberty Township Credit Card Policy for immediate implementation.

Motion made by Leneghan and seconded by Mitchell.

Vote: N/P Mrs. Eichhorn yes Mrs. Leneghan yes Dr. Mitchell

This Resolution shall be in force and become effective immediately upon its execution.

March 20, 2017

Date

CERTIFIED BY:

Nancy Denutte
Nancy Denutte, Fiscal Officer

Melanie Leneghan
Melanie Leneghan, Trustee

Thomas Mitchell
Dr. Thomas Mitchell, Trustee

Shyra Eichhorn
Shyra Eichhorn, Trustee

**LIBERTY TOWNSHIP
DELAWARE COUNTY, OHIO**

CREDIT CARD USE POLICY

I. DEFINITIONS

- A. Board: Board of Trustees of Liberty Township, Delaware County, Ohio.
- B. Credit Card: a credit card, debit card, charge card, or other similar financial transaction device, regardless of Issuer, issued to or held in the name of the Board and/or Township that is used as a method or means of payment, whether at the point of purchase, via internet, by telephone, or by any other means, for obtaining goods and/or services on credit or by deducting the value of the transaction directly from an account held in the name of the Board or Township with a bank, savings and loan, credit union, or other financial institution.
- C. Credit Card Information: includes, but is not limited to, the Credit Card number, expiration date, security code, passwords, and any and all other similar numbers, codes, words, and/or other information used to identify the Credit Card, make purchases and/or access credit using the Credit Card, and/or access the Credit Card account.
- D. Employee: all officers, elected officials, trustees, fiscal officers, employees (fulltime or part-time), seasonal employees, and/or appointees of the Township.
- E. Fiscal Officer: Fiscal Officer of Liberty Township, Delaware County, Ohio.
- F. Issuer: a bank, savings and loan, credit union, other financial institution, or vendor (i.e. store or gas station) that issues the Credit Card.
- G. Personal Expense: any cost or expenditure other than a Work-Related Expense.
- H. Policy: this Credit Card Use Policy.
- I. Township: Liberty Township, Delaware County, Ohio.
- J. Work-Related Expense: any cost or expenditure of Township funds authorized by the Board and related to the official business of the Township.

II. SCOPE

This Policy applies to all Employees.

III. PURPOSE

Credit Cards allow Employees to pay allowable Work-Related Expenses effectively and efficiently. The purpose of this Policy is to establish consistent rules and regulations for the proper, safe, and secure use of Credit Cards by Employees.

IV. EFFECTIVE

- A. This Policy shall be in full force and effect immediately upon adoption and shall remain effective until repealed or superseded.
- B. This Policy supersedes any previously issued credit card use policy or other policy or writing regarding the use of Credit Cards.

V. AUTHORITY

Pursuant to R.C. § 505.64, the Board may authorize an Employee of the Township to use a Credit Card to pay for Work-Related Expenses.

VI. COMPLIANCE

All Employees authorized to use a Credit Card are responsible for compliance with this Policy and shall comply with this Policy.

VII. PROCEDURE

- A. Only the Board, in its sole discretion, may authorize an Employee of the Township to be issued, hold, and/or use a Credit Card. Such authorization shall be by resolution. (See R.C. § 505.64(A)).
- B. Pursuant to R.C. § 507.11(A), the Board may authorize, by resolution, individual Employees to incur obligations of two thousand five hundred dollars (\$2,500.00) or less on behalf of the Township. The established dollar limit of such authority shall apply to the aggregate of all obligations, including Credit Card transactions, incurred and outstanding at any one time by the Employee. The obligations incurred on behalf of the Township by an Employee acting pursuant to any such resolution shall be subsequently approved by the adoption of a formal resolution of the Board.
- C. The transaction dollar limit for any single charge on a township credit card is two thousand five hundred dollars (\$2500.00). In the event of an emergency, the employee shall notify the Fiscal Officer prior to purchase if the two thousand five hundred dollars (\$2,500.00) transaction dollar limit is exceeded.
- D. The Fiscal Officer is responsible for overseeing all Credit Cards, including, but not limited to, the following:
 1. Upon authorization of the Board, obtaining Credit Cards from the Issuer and issuing such Credit Cards to the authorized Employees;
 2. Accounting for Credit Cards issued to Employees, to include, but not limited to, maintenance of a list of Employees who have been issued a Credit Card, the Issuer of such Credit Card and the Credit Card number, security code, and expiration date, the credit limit on such Credit Card, the date the Credit Card was issued to the Employee, the contact telephone number for the Issuer listed on the Credit Card, and the date the Employee returned the Credit Card;
 3. Monitoring usage of Credit Cards issued to Employees, to include, but not limited to, reviewing all Credit Card statements as soon as possible to ensure compliance with this Policy;
 4. Assuring that funds to pay expenses incurred by use of a Credit Card are appropriated for such purpose and allocated to the correct Township fund;
 5. Immediately reporting to the Board any unauthorized charges, charges for Personal Expenses, or other charges that are inconsistent with this Policy;
 6. Responding per this Policy to reports of loss, theft, fraud, or possible unauthorized use of a Credit Card; and,
 7. Generally overseeing compliance with this Policy.
- E. The debt incurred as a result of the use of a Credit Card shall be paid from moneys appropriated by the Board for such expenses. (See R.C. § 505.64(A)).
- F. In accordance with R.C. § 505.11(B)(1), no money belonging to the Township shall be paid out, except upon an order signed by at least two (2) of the township trustees, and countersigned by the Fiscal Officer. This includes money paid to Issuers (i.e. bank, savings and loan, credit union, or other financial institution) to satisfy obligations incurred on a Credit Card.

- G. When applicable, as required by R.C. § 5705.41(D), the Fiscal Officer shall certify the existence of sufficient unencumbered funds to pay for expenditures made by Credit Card.
- H. Credit Card balances shall be paid in-full each month so as not to incur interest or late fees. Credit Cards shall not be used to defer all or any part of the purchase price or create an installment payment plan for any expenditure. (See OAG 84-050).
- I. The Board is and shall remain the holder of all Credit Cards issued to the Board. The Credit Cards remain the property of the Issuer.
- J. All department heads and supervisors are responsible to ensure that personnel under their supervision are adequately trained, fully understand, and comply with this Policy.

VIII. USE

- A. Credit Cards shall **ONLY** be used to pay for Work-Related Expenses authorized by the Board pursuant to R.C. § 507.11.
- B. Employees are responsible for assuring funds for any Credit Card expenditure or purchase have been properly appropriated by the Board for the expenditure or purchase prior to using the Credit Card.
- C. Employees shall obtain from the vendor and produce to the Fiscal Officer a receipt for all expenditures or purchases made using a Credit Card. The receipt shall be provided to the Fiscal Officer at or prior to the next Board meeting following the expenditure or purchase.
- D. Use of a Credit Card is an expenditure of Township funds. Employees should use common sense and follow the same procedures as used with all expenditures of Township funds.
- E. Employees shall not allow anyone else, including other Employees, to use the Credit Card.
- F. Employees shall not intentionally destroy the Credit Card. When the Credit Card expires, is no longer needed, or upon termination of employment or service with the Township, Credit Cards shall be returned to the Fiscal Officer.
- G. Credit Cards shall **NOT** be used to pay for any expense not approved by the Board or any unauthorized expense.
- H. Credit Cards shall **NOT** be used to pay for any Personal Expense or for any personal purpose or purchase.
- I. Credit Cards shall **NOT** be used to obtain cash advances, cash withdrawals, or to obtain cash back from a transaction.
- J. Credit Cards shall **NOT** be used to obtain personal services.
- K. Credit Cards shall **NOT** be used to pay for entertainment, except as otherwise authorized by the Board.
- L. Credit Cards shall **NOT** be used to purchase alcohol or tobacco.
- M. Credit Cards shall **NOT** be used for casino gaming, betting, wagering, or gambling and shall not be used to obtain cash advances for such purposes.
- N. Credit Cards shall **NOT** be used for any purpose or to pay for any expense prohibited by federal or state law or by any Township policy or practice. This includes the payment of state sales tax of which townships are exempt. The Fiscal Officer will provide each employee with a "Sales and Use Tax Blanket Exemption Certificate" to present to the vendor. Employees will be personally responsible for the payment of sales taxes when using the Credit Card.
- O. Credit Cards shall be used in accordance with all applicable Credit Card rules and regulations and in accordance with all state and federal laws.

IX. SECURITY

- A. Employees shall only disclose Credit Card Information as is necessary or to make an authorized expenditure or purchase. Credit Card Information shall not be disclosed to any unauthorized

person or entity. Questions regarding disclosure of Credit Card Information should be directed to the Fiscal Officer.

- B. Employees shall keep secure and protect all Credit Card Information from unauthorized disclosure and shall maintain such information as confidential as it if were the Employee's own personal credit card information.
- C. All Credit Card transactions shall be reviewed by the Board and Fiscal Officer.
- D. All online or internet expenditures or purchases using a Credit Card shall only be made using a computer protected by updated and current anti-virus/anti-malware software and only through a secure network where transmitted information is encrypted.
- E. An Employee who is authorized to use a Credit Card and who suspects the loss, theft, fraud, or possibility of unauthorized use of the Credit Card shall verbally notify the Fiscal Officer immediately after the suspected loss, theft, fraud, or possibility of unauthorized use becomes known to the Employee. Upon receipt of such notice, the Fiscal Officer shall immediately take any action that the Fiscal Officer considers prudent and necessary to prevent or arrest any possible or additional unauthorized use of the Credit Card including, but not limited to, notifying the Issuer and/or law enforcement, as appropriate, and shall notify the Board of such action.

The Employee shall immediately follow verbal notice to the Fiscal Officer by written notice to the Board of the suspected loss, theft, fraud, or possible unauthorized use. The Fiscal Officer should be copied on such notice. The Employee may be held liable in person and upon any official bond the Employee has given to the Township for up to fifty (\$50) dollars in unauthorized debt incurred before the Board receives such notification. (See R.C. § 505.64(C)).

- F. The Employee shall fully cooperate in any investigation by the Board, the Issuer, and/or law enforcement of any loss, theft, fraud, or possible unauthorized use of the Credit Card.

X. MISUSE

- A. Employees shall be liable in person and upon any official bond the Employee has given to the Township for the unauthorized use of a Credit Card. The Delaware County Prosecuting Attorney shall recover the amount of any unauthorized expenses incurred by the Employee and associated costs by civil action in any court of appropriate jurisdiction. Neither R.C. § 505.64 nor this section limit any other liability of an Employee for unauthorized use of a Credit Card. (See R.C. § 505.64(B)).
- B. Misuse of a Credit Card by an Employee is a violation of R.C. § 2913.21 and may be a violation of other federal and/or state criminal laws and will be prosecuted accordingly. (See R.C. § 505.64(D)).
- C. In addition to any criminal charges and/or any civil actions for recovery, an Employee that misuses a Credit Card or uses a Credit Card in violation of this Policy or to pay for a Personal Expense may be subject to appropriate discipline as solely determined by the Board, up to and including termination.

XI. TERMINATION OF EMPLOYMENT

- A. An Employee shall not use a Credit Card after termination of the Employee's employment or service with the Township.
- B. Upon termination of employment or service with the Township, an Employee shall immediately return and relinquish any Credit Card in the Employee's possession to the Fiscal Officer.

XII. DISTRIBUTION AND ACKNOWLEDGMENT

This Policy shall be distributed to all Employees authorized to use a Credit Card. Each Employee shall complete, sign, and return Appendix A to the Fiscal Officer prior to using a Credit Card. The Fiscal Officer shall hold and maintain the signed Appendix A for as long as the Employee remains an official of and/or is employed by or in the service of the Township and, in addition thereto, in accordance with the applicable retention schedule.

March 20, 2017

Policy Date

-- not present --

Shyra Eichhorn, Trustee

Melanie Leneghan
Melanie Leneghan, Trustee

Dr. Thomas Mitchell
Dr. Thomas Mitchell, Trustee

APPENDIX A

TOWNSHIP, DELAWARE COUNTY, OHIO RECEIPT FOR CREDIT CARD USE POLICY

Name: _____ (Print Name)

Position: _____

I, the undersigned, have received a copy of the _____ Township Credit Card Use Policy ("Policy"), dated _____, 20 _____. In connection with my receipt of the Policy I state and agree with all of the following:

- I have fully read and understand the Policy.
- I have been given the opportunity to ask questions regarding the Policy and its contents.
- I understand if I have any further questions about the Policy or use of a Credit Card issued in the name of the Board of Trustees or Township, I will contact the Township Fiscal Officer.
- I agree that I am responsible for knowing the contents of the Policy and abiding by all of its terms, conditions, and requirements.
- I understand that this Policy is not all inclusive of the policies, rules, or regulations that apply to the use of a Credit Card issued in the name of Board of Trustees or Township and that other policies or provisions of other policies, rules, or regulations may apply.
- I agree and understand that any and all provisions of this Policy may be changed, modified, or eliminated without advance notice to me, at any time.

Signature: _____

Date: _____

Please sign and return to:

_____ Township Fiscal Officer
_____ Township Hall

Questions:

Please contact the _____ Township Fiscal Officer.