



City of Green
Policies & Procedures

2018-27 "Exhibit A"

POLICY

CITY ISSUED CREDIT CARDS AND/OR PURCHASE CARDS

- A Purpose: To define the proper use of City provided credit cards and/or purchase cards.
- B Establishment: Approved for Adoption by Ordinance No.: 2018-27
- C Effective: November 28, 2018

I. Purpose

The purpose of this Policy is to ensure that any City issued credit card and/or purchase card are closely monitored to provide for maximum security and to guard against misuse and/or losses for which the City may be held liable. This Policy is meant to comply with the mandates of Sub House Bill 312 enacted by the 132nd General Assembly. City use of these cards include circumstances where a purchase order is not accepted for the needed service, supplies and/or materials, or are purchased from a vendor who issues a purchase card to be used in conjunction with a purchase order. The City issued cards are not for personal use and will not be permitted to be carried by personnel on a regular basis for any reason.

II. General Guidelines

The cards are to be kept in the control of the Finance Director or his/her designee and will be supplied by the Finance Department. The Finance Director or designee will secure the cards in a safe or in a locked cash box in a secure drawer.

The Finance Director or his/her designee must keep a master list of all employees who are permitted to use City cards, along with each employee's title, a master list of cards, and the names that appear on each card, if applicable, within the department. Both lists must be updated, and the Finance Director or his/her assignee notified, whenever changes are made. A copy of both master lists must be on file in the Finance Department and must remain current.

Individuals wanting to use a card, must contact the Finance Director or designee. A log with the card name, date of sign in/out time, signature of individual using the card, and a valid purchase order number is to be kept by the Finance Director or designee. The Finance Director or designee must initial each entry on the log indicating approval of the card's use and the purchase.

Regular purchase order policy and procedures must be followed whenever an individual

- i.* Ensure necessary detail and documentation are provided on all transactions.
- ii.* Ensure that itemized receipts and card statements are retained and kept in accordance with the City's Records Retention Schedule.
- iii.* Make an annual report to the legislative authority to the City of Green for all rewards received based on the use of the card.

IV. Rules and Procedures for Use

The card is for City business expenses only. It must not be used for personal purchases. The card is not transferable. It may be used by the cardholder only. Itemized receipts must be obtained for all transactions.

Pyramiding. Dividing one purchase into two or more, in order to stay within your transaction limit, is not permitted. Cardholders may not receive cash advances.

Cardholders are responsible for resolving discrepancies for that transaction(s), and ensuring credits are received in a timely manner. Any discrepancies must be reported to the Finance Director or designee. Cardholders may not receive cash back or in-store credits for any refunds or exchanges. The refund amount must be a credit applied to the card account. If a supplier mistakenly issues a refund check, it must be submitted to the Finance Department.

The City of Green is exempt from Ohio sales tax. Cardholders should not pay Ohio sales tax. The cardholder shall supply a tax-exempt form to the supplier before the card is charged. A copy of the City's tax-exempt form is available for the supplier.

If grant funds are being charged, cardholders are responsible for completing the requirements for the grant agency.

Cardholders may not make purchases that violate the City's Policy for restricting business transactions that may be perceived as a conflict of interest (purchases from a business in which individuals or their relatives have a financial interest).

V. Documentation Requirements

Employees must obtain an itemized receipt for every transaction. If a cash register receipt does not have a description, the individual must write the description on the receipt. Any transaction without a properly substantiated receipt, is subject to reimbursement to the City by the employee.

A receipt is defined as an invoice, cash register receipt, sales slip, or packing slip which contains an itemized list of goods purchased, with dollar amounts, and the name and location of the supplier. An employee of the supplier must sign handwritten receipts.

- I.* Do not discard credit card transaction receipts in public areas or discard the receipt in whole form. Thieves can acquire the card number from transaction receipts and statements.
- J.* Do not lend the card to anyone.
- K.* Do not give the card number to anyone over the phone unless you know they are a reputable vendor.

VII. Unauthorized Purchases

City credit and/or purchase card accounts may not be used to purchase the following items:

- A.* Personal items;
- B.* Alcohol and entertainment;
- C.* Controlled substances requiring a DEA license;
- D.* Employee relocation and relocation-related expenses;
- E.* Purchases that involve signing an agreement, license, or contract (e.g., leases);
- F.* Long term rentals (1 year or longer);
- G.* Contracted or personal service providers, specific to unincorporated 1099 service providers (i.e., photographic studios, dry cleaners, physicians, medical labs, auto towing or repair, etc.);
- H.* Weapons or ammunition;
- I.* Donations; and,
- J.* Fuel for a privately-owned vehicle or aircraft.

VIII. Inappropriate Use of Cards

Employees using City issued cards are responsible for safeguarding the card. If inappropriate use of the card is discovered, disciplinary action, up to and including discharge from employment, is possible. In the event of fraudulent use, the City may pursue legal prosecution.

Improper costs associated with prohibited purchases will be collected by requesting the employee to voluntarily repay the City; or, by the employee voluntarily agreeing to a payroll deduction; or, by the necessary legal action available to the City.



Policies & Procedures

POLICY

CITY ISSUED CREDIT CARDS AND/OR PURCHASE CARDS

USE OF CREDIT CARD AND/OR PURCHASE CARD FORM

Name: _____

Date: _____

Department: _____

Description of item(s)/service(s) purchased: _____

Purchase Order Number: _____

Requisition attached if purchase order has not been done properly. Request will be a then and now due to the request not being completed prior to the purchase being made.

Attach original receipt(s) signed by the employee.

Employee Signature: _____ Date: _____

Director of Department Signature: _____ Date: _____

Checked by the Fiscal Officer: _____ Date: _____