

RESOLUTION NO. 19-04  
INTRODUCED BY: Mr. Tadych

**A RESOLUTION**  
**ADOPTING UPDATED POLICIES GOVERNING CREDIT CARD USE BY  
EMPLOYEES AND OFFICIALS OF THE CITY OF BAY VILLAGE, AMENDING  
RESOLUTIONS 04-153 AND 10-123 AND DECLARING AN EMERGENCY.**

**WHEREAS**, Council passed Resolution No. 04-153 adopting Policies Governing the Use of Cell Phones, Credit Cards, and Travel Expenses by Employees and Officials of the City of Bay Village dated December 20, 2004, and passed Resolution No. 10-123 amending Resolution No. 04-153 and adopting the updated policy dated November 1, 2010; and

**WHEREAS**, at the recommendation of the Finance Director, the credit card policy provisions of said policy should be further updated; and

**WHEREAS**, the policy as amended is available for review at City Hall.

**NOW, THEREFORE, BE IT RESOLVED** by Council of the City of Bay Village, Ohio:

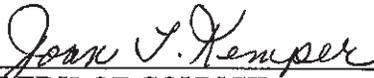
**SECTION 1.** That the updated Credit Card Policy with a revision date of October, 2018, is adopted as a proper public purpose.

**SECTION 2.** Resolutions 04-153 and 10-123 are hereby amended with regard to the credit card policy.

**SECTION 3.** That this Council finds and determines that all formal actions of this Council concerning and relating to the passage of this resolution were taken in an open meeting of this Council, and that all deliberations of this Council and of any committee that resulted in those formal actions were in meetings open to the public in compliance with law.

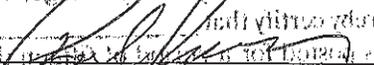
**SECTION 4.** That this resolution is hereby declared to be an emergency measure immediately necessary for the preservation of the public peace, health, safety and welfare, wherefore this resolution shall be in full force and take effect immediately upon its passage and approval by the Mayor.

PASSED: January 14, 2019

  
CLERK OF COUNCIL

  
PRESIDENT OF COUNCIL

APPROVED: January 14, 2019

  
MAYOR  
010219

I, Jean J. Kemper, Clerk of  
Council of the City of Bay Village, Ohio,  
hereby certify that Resolution 19-054  
was posted for a period of fifteen days,  
Beginning January 15, 2019 at  
the three Designated Posting Places.

### Issuance

The City of Bay Village (the City) has issued credit cards to the Mayor and certain Department Directors (the Cardholders). The City name will also appear on each credit card. The reissuance or cancellation of such credit cards (when applicable) will be executed by the Director of Finance in communication with the effected credit Cardholder.

In certain circumstances the Finance Department card may be signed out after the employee signs the credit card log which states they become the temporary cardholder.

Credit card usage is restricted to items and services that are purchased on behalf of the City and deemed to be a proper public purpose.

### Purchase Order Requirement

A properly authorized purchase order is required for all purchases using a credit card. Any charge made without an approved purchase order could become the liability of the credit card holder.

### Payment Processing

Itemized receipts are required for all credit card expenses. These are to be reviewed and approved by the Department Director (or designee) and then submitted within 24 hours via interoffice mail to the Finance Department so they may be properly matched with the approved purchase order. If original receipt or other sufficient documentation to justify the expense is not produced the Cardholder may be held personally responsible for the expense. Once the monthly credit card statement is received, it will be reviewed by a member of the Finance Department to ensure all charges are supported by appropriate documentation.

### Allowable Expenses

#### **Travel**

Employee must follow Travel Policy for allowable travel expenses.

#### **Meals Outside of Travel**

At the Mayor's and Department Directors discretion and within their budget, they may authorize payment for meal functions associated with the conduct of City business. Itemized receipts must be presented and on the back thereof contain the purpose and names of those in attendance.

#### **Meeting Expenses**

During the normal course of operations it is necessary to conduct in-house department or City committee meetings. The cost of refreshments for these meetings is considered an appropriate credit card purchase, if budgeted, and provided they are reasonable in cost. This guidance is not intended for regular weekly or biweekly meetings.

### **Gifts and Awards**

The City may purchase, provided budgeted, nominal gifts or awards for employees (\$100 or less).

Examples include, but are not limited to the following:

- Plaques, flowers, etc. for special occasions
- Retirement gifts
- Nominal gifts for birthdays or holidays

### **Other Appropriate Expenses**

The Finance Department may authorize other appropriate purchases to maximize the benefits of using a credit card (i.e., cash back allowance, flexibility) while limiting risks.

Examples include, but are not limited to the following:

- Recurring charges such as utility payments
- Bureau of Workers Compensation payments
- Internet purchases such as Amazon

### **Use of Credit Card**

- The Mayor and the Department Directors that are authorized to be Cardholders must have a signed Credit Cardholder Agreement on file. In the instance of signing out the Finance Department card the employee must sign the credit card log and return the card to the Finance Department immediately after use and record in the credit card log the date and time of return.
- The Cardholders are responsible for the credit card and all purchases made while in his/her possession.
- The Cardholders must communicate the City's tax exempt status to the vendor before purchase is initiated to prevent sales tax from being charged. In the event sales tax is charged and isn't adjusted the amount could become the responsibility of the Cardholder.
- The Cardholder shall take all necessary precautions to keep the credit card and account number secure.
- The credit card is to be used for authorized City purchases only.
- The Cardholders department is responsible for all charges incurred including service fees and finance charges.
- The Cardholders shall reimburse the City for any unauthorized charges (including, but not limited to those items noted in the "Card Restrictions" below) within 30 days. If charges are under dispute by the Cardholder payment must be made and if reversed by the credit card company the payment will be refunded to the Cardholder. The credit card shall not be issued to an employee if he or she owes money to the City from previous use of the credit card.
- The cards shall not be used when there is a fee charged by the vendor to allow purchase by card.

### **Restrictions on Use**

Credit cards are strictly prohibited from being used for:

- Cash advances
- Personal items
- Alcoholic beverages
- Entertainment

### **Credit Limits**

The appropriate credit limit for each card will be determined by the Director of Finance and will vary depending on the anticipated uses. Department Directors who are authorized to retain cards will be limited to a maximum limit of \$5,000. The Director of Finance will retain a card with a credit limit not to exceed \$350,000 in order to allow large payments such as refuse and workers compensation payments. The limits will be reviewed annually to determine if revisions need to be made.

### **Disputes**

A disputed item could result from defective purchases and incorrect items being charged to the credit card. If it is a defective purchase the department needs to return the item as soon as possible to receive timely credit to the card. The Director of Finance should be notified immediately upon discovery if there are unsubstantiated charges on the credit card statement. The Director of Finance will report such charges to the credit card issuer so that an investigation may commence.

### **Lost or Stolen Cards**

If any Cardholder loses or has the credit card stolen, it is his or her responsibility to notify the Director of Finance or Finance Assistants within 24 hours so they may report to the credit card issuer.

### **Termination/Resignation of Employee**

Upon termination or resignation of an employee who holds a credit card with the City, it is the employee's responsibility to immediately turn in the credit card to his or her supervisor or to the Finance Department.

### **Policy Violations**

**FAILURE TO FOLLOW THIS POLICY MAY RESULT IN LOSS OF CARDHOLDER PRIVILEGES AND, FOR EMPLOYEES MAY RESULT IN DISCIPLINARY ACTION, INCLUDING TERMINATION OF EMPLOYMENT. IN ADDITION TO DISCIPLINE AND/OR TERMINATION, ANY UNAUTHORIZED USE OF THE CREDIT CARD COULD RESULT IN CRIMINAL OR CIVIL PROSECUTION AGAINST THE EMPLOYEE OR ELECTED OFFICIAL.**

**Any questions concerning the use of the credit card should be directed to a member of the City's Finance Department.**

