

# RECORD OF RESOLUTION

Resolution No. 2020-R-07

Passed July 27, 2020  
YEAR

VILLAGE COUNCIL OF NORTH FAIRFIELD, OHIO  
RESOLUTION NO. 2020-R-07

CREDIT CARD POLICY  
RC 717.31

A RESOLUTION ADOPTING A CREDIT CARD POLICY ESTABLISHING  
WRITTEN POLICY AND PROCEDURES FOR THE USE OF VILLAGE CREDIT  
CARD ACCOUNTS

WHEREAS, Section 717.31 of the Ohio Revised Code requires that the legislative authority of a municipal corporation that holds a credit card account shall adopt a written policy for the use of credit card accounts; and

WHEREAS, the Credit Card Policy was last adopted by Motion of Council on June 24, 2019 as indicated in the meeting minutes and referred to as PayPal Policy. The Fiscal Officer reports that after research and review, previous credit card policy adoption records could not be located. The previously utilized credit card policy listed to be effective on March 22, 2019 was last referenced in the meeting minutes of village council on April 8, 2019; and

WHEREAS, the village now wishes to formally adopt written policy and procedures for the use of village credit card accounts in compliance with Section 717.31 of the Ohio Revised Code.

NOW THEREFORE, BE IT RESOLVED, BY COUNCIL, THE LEGISLATIVE AUTHORITY OF THE VILLAGE OF NORTH FAIRFIELD, STATE OF OHIO, (RC 731.18) to wit:

SECTION 1. That Village Council hereby adopts the following written policy for the use of credit card accounts:

*VILLAGE OF NORTH FAIRFIELD, OHIO  
CREDIT CARD POLICY  
Policy and Procedures for the Use of Village Credit Card Accounts  
RC 717.31*

*PURPOSE: The legislative authority wishes to establish a credit card policy establishing written policy and procedures for the use of village credit card accounts pursuant to Section 717.31 of the Ohio Revised Code.*

*SCOPE: As used in this Policy, "credit card account" shall have the same meaning as provided in Section 717.31(H) of the Ohio Revised Code which provides:*

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"Credit card account" means any bank-issued credit card account, store-issued credit card account, financial institution-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" 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 use of the card account.

CREDIT CARD ACCOUNTS. The Village has the following credit card accounts:

PNC BANK VISA Business Card ending in #6516 (Fiscal Officer, Michelle Cherry)  
PNC BANK VISA credit card ending in #8359 (Administrator, Tom Leto)  
JDF John Deere Financial (Rural King) ending in #5924

*Note: The Village Fiscal Officer shall be permitted to utilize the services of PayPal for the purchase of products, services or otherwise arranging for payment, within the procedures as stated within this policy. [See NF CC Policy 3/22/19]*

## A. POLICIES.

### 1. AUTHORIZED USERS. THE OFFICERS OR POSITIONS AUTHORIZED TO USE A CREDIT CARD ACCOUNT: RC 717.31(A)(1)

- a. Mayor
- b. Fiscal Officer
- c. Village Administrator
- d. An officer or employee authorized by council. RC 717.31(E)  
AUTHORIZATION. An officer or employee may obtain authorization for use of a village credit card account upon the recommendation of the mayor or fiscal officer to be approved by motion of council.

### 2. TYPES OF EXPENSES. THE TYPES OF EXPENSES FOR WHICH A CREDIT CARD MAY BE USED: RC 717.31(A)(2)

- a. Overnight lodging
- b. Meals. (Excluding alcohol)
- c. Registration for seminars/conferences/training when time is of the essence.
- d. Service contracts that require credit card payments. (i.e. Web host)
- e. Necessary goods and services
- e. Other expenses approved by motion of council.

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### 3. THE PROCEDURE FOR ACQUISITION, USE AND MANAGEMENT OF A CARD ACCOUNT AND PRESENTATION INSTRUMENTS RELATED TO THE ACCOUNT INCLUDING CARDS AND CHECKS: RC 717.31(A)(3)

#### a. Acquisition of credit card account.

*The acquisition of a credit card account in the name of the village may be processed by the Fiscal Officer only after authorization of council.*

#### b. Use.

*The credit card account shall only be used by authorized users and only when the items and/or services to be purchased are for official use of the Village. PERSONAL USE OF CREDIT CARD ACCOUNT[S] ARE PROHIBITED.*

*i. Use of the credit card for the purchase of products or services anticipated to cost less than two hundred dollars (\$200.00) requires the prior authorization of fiscal officer and notification of council at next regularly scheduled meeting or work session. [See NF CC Policy 3/22/19]*

*ii. Use of the credit card for the purchase of products or services for which the anticipated costs are between two hundred and one dollars (\$201.00) and five hundred dollars (\$500.00) requires the fiscal officer to receive prior authorization from the chairman of the finance committee. In the absence or unavailability of the finance committee chairman, the mayor may authorize such expenditure. The fiscal office shall notify council of the transaction at the next meeting of council. [See NF CC Policy 3/22/19]*

*iii. Under normal circumstances, transactions anticipated to cost in exceed [sic] five hundred and one dollars (\$501.00) will not be permitted without prior approval of council. [See NF CC Policy 3/22/19]*

*iv. In the event emergency circumstances demand a purchase of products or services, extraordinary consideration will be permitted provided at least two of the following: mayor, fiscal officer, finance committee*

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*chairman or administrator jointly authorize such transaction. Such action will be reported at the next meeting of council. [NF CC Policy 3/22/19]*

## *c. Management*

*GENERAL POSSESSION AND CONTROL. The Fiscal Officer shall retain general possession and control of all credit card accounts and presentation instruments related to account including cards and checks. RC 717.31(E)*

*The Fiscal officer will monitor and review the credit card purchases for propriety and initial [sic] indicating the review has been completed. If an employee reimburses the Village for an unsupported purchase, it should be documented in the monthly credit card reconciliation. [See #6, OCCMA Ohio City / County Management Assn.]*

## *4. RECEIPTS. THE PROCEDURE FOR SUBMITTING ITEMIZED RECEIPTS TO THE FISCAL OFFICER. RC 717.31(A)(4)*

*a. Each purchaser will sign the original receipt acknowledging the use of credit card for work-related purchase. A detailed receipt must be provided by purchaser to the Fiscal Officer. This receipt will be matched to the credit card statement. Failure to submit receipts will result in rejection of any and all charges not properly documented which would result in the employee being responsible for the incurred charges. [See #3, OCCMA Ohio City / County Management Assn.]*

*b. It is the responsibility of the employee making the purchase to insure the completeness, accuracy, and legibility of the entries on the receipt. [See #4 OCCMA Ohio City / County Management Assn.]*

*c. FORM. A completed "Use of Credit Card Form" needs to be provided with the credit card receipt to the Fiscal officer within 24 hours or next business day from time of any purchase or the next business day which ever applies.*

*The form shall contain the following information:*

*Name*

*Department*

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*Description of item purchased*

*Purchase Order Number.*

*If Purchase order not opened prior to purchase,  
then purchase requisition shall be attached.*

*Signature of Department Head is required to demonstrate  
the authority of the employee to use the credit card.*

*Attach original receipt(s) signed by employee. [See #5  
OCCMA Ohio City / County Management Assn.]*

*d. Any officer or employee is liable in person and upon official  
bond the officer or employee has given to the municipal  
corporation to reimburse the treasury the amount for which the  
officer or employee does not provide itemized receipts in  
accordance with this policy. RC 717.31(E)*

## *5. THE PROCEDURE FOR CREDIT CARD ISSUANCE, CREDIT CARD REISSUANCE, CREDIT CARD CANCELLATION, AND THE PROCESS FOR REPORTING LOST OR STOLEN CARDS. RC 717.31(A)(5)*

*a. CREDIT CARD ISSUANCE. A credit card may only be issued to  
authorized users as determined by this policy.*

*i. SIGN OUT LOG. The Fiscal Officer shall maintain a  
system to sign out and issue credit cards to authorized  
users. RC 717.31(E) The sign out log shall record, note, log  
and contain the following information:*

*Authorized user's name*

*Authorized user's title*

*Date acquired from Fiscal Officer acknowledged by  
both authorized user and Fiscal Officer;*

*Purpose of use;*

*Date returned to Fiscal Officer acknowledged by  
both authorized user and Fiscal Officer*

*ii. The village credit card will be kept in the fiscal officer's  
office when not in use. Those authorized to use the card  
shall secure the card from the fiscal officer by signing for  
the card on a log, listing time and date the card is obtained,  
purpose of intended use, the time and date card is returned  
to fiscal officer. [NF CC Policy 3/22/19]*

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iii. The fiscal officer will initial both acknowledgement of providing the card and the return of the card. In the event the fiscal officer utilizes the card, the mayor shall initial the providing of and the return of the card. [NF CC Policy 3/22/19]

iv. The credit card may not be transferred, assigned to, or used by anyone other than the designated cardholder.

b. CREDIT CARD REISSUANCE. A credit card may be reissued in the same manner as issued above and consistent with the policies herein.

c. CREDIT CARD CANCELLATION. Credit card accounts may be cancelled by the Fiscal Officer upon the authorization of council. Once cancelled, the Fiscal Officer shall destroy the physical card.

Village may suspend or cancel cardholder privileges at any time for any reason.

Upon demand, any cardholder shall return any and all credit card(s) to Village or any authorized agent of the card issuer.

d. PROCESS FOR REPORTING LOST OR STOLEN CARDS.  
Lost or stolen cards must be reported by the authorized user immediately to the Fiscal Officer.

The Fiscal Officer shall notify the credit card account holder within 24 hours.

The Fiscal officer shall also notify the Mayor within 24 hours.

The Mayor and or the Fiscal Officer shall notify council within two (2) business days.

## 6. THE MUNICIPAL CORPORATION'S CREDIT CARD ACCOUNT'S MAXIMUM CREDIT LIMIT OR LIMIT: RC 717.31(A)(6)

The village credit card account maximum credit limit shall not exceed: **\$5000.00** unless authorized by council.

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**7. THE ACTIONS OR OMISSIONS BY AN OFFICER OR EMPLOYEE THAT QUALIFY AS MISUSE OF A CREDIT CARD ACCOUNT:** RC 717.31(A)(7)

a. *Credit Card Violations may include, but are not limited to:*

- i. *Using card in violation of law;*
- ii. *Using card in violation of this policy;*
- iii. *Obtaining cash advances;*
- iv. *Purchasing alcohol;*
- v. *Use for personal expenses*
- vi. *permitting unauthorized user to use card*
- vii. *Exceeding Credit Card limit.*

b. *Cardholder transactions will be scrutinized to ensure compliance with this policy. Infractions of the conditions of this policy, or to any Village policy that may apply to this Credit Card policy, could result in cancellation of the card and withdrawal of credit card privileges. Breaching of this policy may result in disciplinary action against the employee up to and including termination. In all cases of breach, Village will consider the facts and circumstances of each incident, and will take action as deemed appropriate. Village reserves the right to recover any monetary considerations from the cardholder. Internal and external audits of cardholder purchases may be carried out from time to time at the discretion of Village.*

c. *Unauthorized use of the Village's credit card may subject the offending party to such legal action as may be advised by the solicitor. [See NF CC Policy 3/22/19]*

B. *The name of the municipal corporation shall appear on each presentation instrument related to the account including cards and checks. RC 717.31(B)*

C. *The Fiscal Officer shall present to the legislative authority credit card account transaction detail from the previous month. The legislative authority shall review the credit card account transaction detail and the presiding officer (Mayor) of the legislative authority shall sign an attestation stating the legislative authority reviewed the credit card account details. RC 717.31(C)(2)*

D. *The legislative authority at least quarterly shall review the number of cards and accounts issued, the number of active cards and accounts issued, the cards'*

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*and accounts' expiration dates, and the cards' and accounts' credit limits. RC 717.31(D)*

*E. If the Fiscal Officer retains general possession and control of the credit card account and presentation instruments related to the account including cards and checks, and the legislative authority authorizes an officer or employee to use a credit card, then the Fiscal Officer may use a system to sign out credit cards to the authorized users. The officer or employee is liable in person and upon any official bond the officer or employee has given to the municipal corporation to reimburse the treasury the amount for which the officer or employee does not provide itemized receipts in accordance with the policy RC 717.31(E)*

*F. The use of a credit card account for expenses beyond those authorized by the legislative authority constitutes misuse of a credit card account. An officer or employee of the municipal corporation or a public servant as defined under section 2921.01 of the Revised Code who knowingly misuses a credit card account held by the municipal corporation violates section 2913.21 of the Revised Code. RC 717.31(F)*

Effective the 27 day of July, 2020 by Resolution No.: 2020-R-07.

SECTION 2. Any and all previous credit card use policies are hereby rescinded and repealed.

SECTION 3. The clerk is instructed to compile and organize this and all active village policies into a manual or handbook of its general policies and procedures and reference the contents with a table of contents.

SECTION 4. PUBLIC MEETING. That it is found and determined that all formal actions of this public body concerning or relating to the passage of this Resolution / Ordinance were adopted in a public meeting open to the public at all times, and that all deliberations of the public body and any of its committees that resulted in such formal action, were in public meetings open to the public, in compliance with all legal requirements including all lawful ordinances and any applicable provisions of Section 121.22 of the Ohio Revised Code.

WHEREFORE, this legislation shall be in full force and effect from and after the earliest period allowed by law.

PASSED AND ADOPTED on this 27 day of July, 2020.

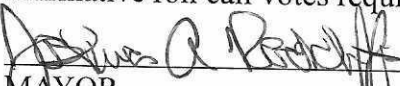
AUTHENTICATION and ATTESTATION  
(RC 731.20)



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We hereby attest and affirm that the foregoing Ordinance/Resolution received the necessary affirmative roll call votes required for passage by R.C. 731.17.

  
MAYOR

  
FISCAL OFFICER

Vote on the passage was taken by yeas and nays and entered upon the journal as follows R.C. 731.17(A)(3):

YEAS: 3 NAYS: 1 ABSTAIN: 0

First Reading: June 29, 2020  
Second Reading: July 14, 2020 [may be dispensed by a vote of at least three-fourths of members. R.C. 731.17(A)(2)]  
Third Reading: July 27, 2020 [may be dispensed by a vote of at least three-fourths of members. R.C. 731.17(A)(2)]

APPROVED AND TO FORM:  
  
VILLAGE SOLLICITOR, Steve Palmer

### CERTIFICATE OF POSTING (RC 731.25)

I hereby certify that pursuant to R.C. 731.25, a succinct summary of the above legislation was posted in not less than five of the most public places in the municipal corporation as determined by the legislative authority (See Ord 2019-O-12) for a period of not less than fifteen days prior to the effective date at the following locations:

- 1) Fiscal Officer Office, 3 East Main St., North Fairfield, Ohio; and
- 2) North Fairfield Village Hall, 3 East Main St., North Fairfield, Ohio; and
- 3) North Fairfield Public Library, 5 East Main St., North Fairfield, Ohio; and
- 4) North Fairfield Post Office, 1 North Main St., North Fairfield, Ohio; and
- 5) Electronically online at official Village website

  
FISCAL OFFICER