

RESOLUTION No. 24-69

**A RESOLUTION AMENDING AND RESTATING RESOLUTION NO. 327-12 - A
RESOLUTION AMENDING AND RESTATING THE UNION COUNTY POLICY AND
PROCEDURES FOR CREDIT CARDS**

WHEREAS, this Board previously adopted Resolution No. 327-12 on August 9, 2012, Commissioners' Journal vol. 50, p. 225, adopting the Union County Policy and Procedures for Credit Cards under authority of R. C. §301.27; and

WHEREAS, this Board amended and restated Resolution No. 327-12 on March 9, 2022, Commissioners' Journal vol. 2022, p. 294, adopting the Union County Policy and Procedures for Credit Card under authority of R.C. §301.27; and

WHEREAS, there have been several amendments to R.C. §301.27, including Amended Substitute HB No. 33, 135th General Assembly, which was signed by the Governor on July 3, 2023; and

WHEREAS, these most recent amendments to R.C. §301.27 became effective October 3, 2023; and

WHEREAS, the Board has determined that it is in the interest of Union County to update the Union County policy and procedures for credit cards to fully implement the provisions to R.C. §301.27, as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS, UNION COUNTY, OHIO, THAT:

Section 1. The Board Amends and Restates Resolution 327-12, the Union County Policy and Procedures for Credit Cards as follows:

**Union County
Policy and Procedures Regarding Credit Cards**

Authority

Ohio Revised Code §301.27, as amended, authorizes counties to adopt a policy regarding credit cards, including gasoline and telephone credit cards.

General Information

The Board of County Commissioners recognizes the efficiency and convenience in the day-to-day operations of the County from using credit cards. However, no person shall use a credit card to circumvent the general purchasing procedures by Ohio law and the policies of this Board.

Expenditures may not exceed appropriations under any circumstances. A credit card can be used for in-store purchases, mail, e-mail, internet, facsimile, or telephone orders.

The Credit Card Does **Not** Void Or Bypass Any Other County Policy Or Procedure That Is In Place.

Credit Card Responsibilities

Program Administrator

The program administrator is the County Auditor, who will coordinate the credit card program. The County Auditor's Office is the primary contact with the credit card issuer and with the appointing authorities, and their designees, who use a county credit card.

The County Auditor's Office is available to help employees with:

- Questions regarding the credit card policy and procedures
- Problems faced with card use or vendor authorization
- Lost or stolen cards
- Approving supervisor changes
- Activating and setting up the credit cards
- Cardholder transfer, relocation, or termination
- Establishing the controls and limits on the cards as determined with the help of the elected officials, department heads and their designees.

Appointing Authorities

A county appointing authority shall apply to the Board of County Commissioners for authorization to have an officer (including the elected official) or employee of the appointing authority use a county credit card. The authorization request shall state whether the card is to be issued in the name of the office of the appointing authority, in the name of an officer, or in the name of an employee. A county appointing authority shall notify, and update as necessary, the County Auditor and the Board of County Commissioners regarding in whose name a county credit card is issued. This application and/or notice shall be in the form in Appendix 1, as amended from time to time.

Before participating in the county credit card program, the appointing authority shall adopt the Board of County Commissioners' policies and procedures for credit card use. Each appointing authority may establish more restrictive practices within his/her department.

The appointing authority, including an elected official, department heads or their designees shall be responsible for reviewing the reconciliations performed by the department purchasing clerk.

Department Purchasing Clerk

The Department Purchasing Clerk will establish super blanket, blanket or regular purchase orders for the department's credit cards as instructed hereinbelow. The Department Purchasing Clerk will reconcile the department's credit card statements to the department receipts.

Card User

A card user has been approved by an appointing authority to pay for certain work-related expenses with a credit card. The cardholder is responsible for the security and physical custody of the card and is accountable for all transactions made with the card. The

cardholder must maintain all receipts for credit card purchases. The cardholder is also responsible for timely submission of all receipts.

A card user must complete the Card User Acknowledgement statement (Appendix 2).

Card Usage Guidelines

A County Credit card shall be used as provided under this policy. The credit card is to be used exclusively for Union County business purposes. It cannot be used for personal or non-job-related purchases. Should an employee learn of instances in which the County's policies and procedures are not being followed, the employee is to report this to the County Auditor's Office and the employee's appointing authority immediately and in writing.

The card may be used only for purchases satisfying all of the following: (R.C. §301.27)

- The purchase is for work-related expense.
- The purchase serves a public purpose.
- The debt incurred by the purchase is payable with available moneys appropriated to a specific appropriation line item that is appropriate for the purchase.
- The purchase follows R.C. §301.27, as amended, and this policy, as amended.

The card may **NOT** be used to buy:

- Entertainment of any kind
- Alcoholic beverages
- Cash advances or ATM's
- Or an expenditure which would require the issuance of an IRS form 1099 (services).

Unless approved by the Board of County Commissioners, an officer, employee, or appointing authority is liable as provided in this Policy for

- Finance charges,
- Late fees or penalties, or
- Sales or use tax.

Any time a county credit card is used in a way that does not follow R.C. §301.27, as amended from time to time, or with this Union County Credit Card policy, as amended from time to time, the county treasury shall be reimbursed for the amount spent not in compliance with R.C. §310.27 or with the Union County Credit Card policy, as follows:

- If the card is issued in the name of a specific officer or employee, that officer or employee is liable in person and upon any official bond the officer or employee has given to the county for reimbursing the county treasury.
- If the card is issued in the name of the office of the appointing authority, the appointing authority is liable in person and upon any official bond the appointing authority has given to the county for reimbursing the county treasury.

Instead of submitting a Credit Card Usage Estimate Form, the department shall create an appropriation line item from which the allowed credit card uses are to be paid. Initial appropriations or transfer requests will need to be submitted for appropriations in each fiscal year. Charges incurred on the credit card shall be limited to the amount appropriated and encumbered in the line item.

Auditor

Card Limits

Each card will have a \$5,000 limit with exceptions available at the request of the appointing authority and approval by the County Auditor's Office.

Sales and Use Tax

Purchases made with the County credit card are tax-exempt. The name of the County and the words "tax-exempt" will be printed on each card. If tax is charged inappropriately, the agency should present a tax exemption certificate to the vendor and receive a credit for the unnecessary tax.

Issuing of Cards

Each appointing authority participating in the credit card program shall complete a Credit Card Program Department Application (Appendix 1). By completing this application, the elected official or department agrees to abide by the Union County Policy and Procedures for Credit Cards and the limitations established in the Department Application. Each elected official or department head may establish more restrictive policies within his/her department. Any department that establishes its own policies, however, cannot increase its credit card limitations beyond what is granted by this policy.

Once the Application is approved by the County Auditor's Office, each card user must read the Credit Card Policy and Procedures and sign a Card User Acknowledgement form (Appendix 2) signifying acceptance of the policy.

Credit cards will then be issued to departments. Credit cards **CANNOT** be used by anyone other than those designated as card users.

Appointing Authorities may request changes to card limit after the credit card has been issued if the changes are within the limits set within this policy. A new Credit Card Application, or other formal written communication, shall be completed by the elected official or their designees and sent to the County Auditor's Office to initiate the changes.

Making a Purchase and Record Keeping

Before making a purchase with a county credit card, the officer or employee of an appointing authority must obtain authorization as follows:

- The Board of County Commissioners must adopt a resolution, as provided in R.C. §301.27(F)(2), authorizing an officer or employee of an appointing authority to
 - use a county credit card to pay for specific work-related expenses, or
 - use a specific credit card for work-related expenses, without submitting a periodic estimate of expected expenditures.
- Before adopting the resolution, the Board shall notify the County Auditor of the request.
- The resolution shall specify whether the officer's or employee's exemption extends to using a specific credit card or to one or more specific work-related uses.

- A new resolution is unnecessary when a new credit card number is issued due to fraudulent use of the specified credit card.
- Before any credit card exempted for specific uses may be used to make purchases for uses other than those specific uses in the resolution, the appointing authority who obtained the credit card must obtain a resolution from the Board either
 - (1) authorizing the card to be used for work-related expenses without submitting a periodic estimate of expenses, or
 - (2) establishing an estimated amount as provided in R.C. 301.27(F)(1); otherwise the use of the credit card for other than one of the specifically approved uses shall be considered an unauthorized use.
- Use of any credit card under this provision shall be limited to the amount appropriated and encumbered in a specific appropriation line item for the permitted use or uses designated in the authorizing resolution, or, in the case of a resolution that authorizes use of a specific credit card, for each of the permitted uses listed in the resolution, but only to the extent the moneys in those specific appropriation line items are not otherwise encumbered.

Purchases made using the credit card will be processed using these procedures.

- A super blanket, blanket or regular purchase orders must be established for each account within the department encumbered to the spending limit so authorized by the appointing authority participating in the Credit Card Program.
- The super blanket, blanket or regular purchase orders can be established in the "Banking Vendor's Name" or the fund account established for bill payment.
- No credit card purchase can be made without a super blanket, blanket or regular purchase orders purchase order being established for the card.
- When payment is made, funds will be deducted from each account for the dollar amount of the items purchased as would occur if a warrant were being issued.

Purchases can be made wherever credit cards are accepted. Remember, whenever a card user makes a purchase, the purchase **CANNOT** include sales tax. (See above) If a supplier refuses to authorize and/or declines the purchase, the County Auditor's Office must be contacted immediately.

When making a purchase, the card user must obtain and keep the original receipt. The receipt must have the vendor's name, date of purchase, itemized description of purchase, per unit price and extended price. The card user will submit all receipts to the department's purchasing clerk for reconciliation of the statement.

Purchases Made Remotely

Credit cards may be used to purchase goods by orders placed by mail, e-mail, facsimile, over the internet or by telephone. These purchases must be shown by an order confirmation along with either the original packing slip that accompanied the purchased goods or an itemized receipt.

When making purchases via the internet, the cardholder must make sure the web site where the card information is given is secure, and that all account numbers are encrypted while passed electronically. A cardholder can determine if the web site address is secure in two ways:

- An internet web site is secure when the address changes from http://www to https://www. The "s" stands for secure.
- A symbol resembling a "lock" will appear at the bottom of the browser. The lock symbol signifies that the web site is secure and that all card numbers will be encrypted when passed.

Card users will be held responsible for all orders placed. The card user should inform the vendor that the purchase will be paid through the County credit card, and that the purchase is tax exempt. If there are any issues with using the credit card, the County Auditor's Office should be immediately contacted.

Declined Attempts

The credit card will be declined if one of the embedded limits is exceeded, if the card issuer has a security concern because of a spending pattern, or if the "bill to" address does not match the "ship to" address.

The department should contact the County Auditor's Office whenever there are declined attempts.

Agent, Acceptance or Service Fees

Some vendors charge an agent, acceptance, or service fee to process a credit card charge. If the fee is charged it must be included on the receipt and the County Auditor's Office should be notified.

Vendor Invoices

Vendors should not invoice the cardholder for purchases made with the credit card. The vendor will be paid by the card issuer, not by the county. However, the cardholder must always receive an itemized receipt or order confirmation.

Account Reconciliation and Payment of Credit Card Bill

Each card user must keep all original detailed receipts received when purchases are made and turn them into the department purchasing clerk. The department purchasing clerk will receive billing statements for the whole department. The department purchasing clerk will reconcile the billing statement to the card user's receipts. The department purchasing clerk will prepare a voucher stating which line items the purchases should be posted to and to under which purchase order the purchases were made.

Once completed, the department purchasing clerk will give the billing statement to the appointing authority or its designees to review and approve for payment.

After approving the billing statement, the appointing authority or its designees will send the voucher information and the department billing statement to the County Auditor for processing.

If any expenses are for travel and training, receipts and a travel reimbursement form must be submitted with the statement to the County Auditor. See policy on travel and training expenses.

The reconciliation process must be completed within five business days of receiving the cardholder statement and department statement. If this time frame cannot be met, the appointing authority or its designees must notify the County Auditor's Office.

Each department using credit cards is subject to an internal audit at least once within the first year and then at least once every two years. Each department is also subject to an external audit each year.

Returns, Credits and Dispute Resolution

If there is a problem with a purchased item or billing resulting from using the card, the card user and department should:

- First try to resolve the dispute with the supplier or merchant. Usually, disputes can be resolved directly between the card user and the supplier or merchant.
- If the card user needs to return a purchased item, the card user should send the item back to the supplier, ask for a credit to the department's credit card account, and notify the department purchasing clerk. The card user should include the receipt showing the credit and submit it to the purchasing clerk.
- If the dispute cannot be resolved with the supplier, contact the County Auditor's Office. The card user must also complete a Credit Card Dispute form within 15 days from the initial statement date when the charge occurred. The County Auditor's Office will research the disputed charge further with the supplier until resolved.
- No employee can receive cash for a returned item. All returned purchases must be credited back to the credit card or by check made payable to "Union County" for the amount of the returned item.

Travel and Training Expenses

Proper approval through the Board of County Commissioners is required for any travel and training expenses. A travel reimbursement form must be completed for any travel and training expenses and all itemized receipts for the trip must accompany the travel reimbursement form. No travel expenses will be paid by the County until this information is obtained.

Unauthorized Expenditures

Any time a county credit card approved for use for an authorized amount is used for more than that authorized amount, any time a county credit card approved for specific work-related expenses is used for other uses, or any time an officer or employee has authority to use a specific card but uses a different county credit card, the appointing authority may request the board of county commissioners to authorize after the fact the unauthorized expenditure if, upon the board's request, the county auditor certifies that sum of money is in the treasury or in the process of collection to the credit of the proper appropriation line item for which the credit card was used, and is free from previous and then-outstanding obligations or certifications. If that expenditure is not authorized after the fact, the county treasury shall be reimbursed as provided R.C. §301.27(H).

If the county auditor determines a credit card has been used in a way that does not follow this RC §301.27 or this policy, the auditor immediately shall notify the board of county commissioners. If the board determines, on its own or after notification from the county

auditor, that the county treasury should be reimbursed as provided above, the board shall give written notice to the county auditor and to the officer or employee or appointing authority liable to the treasury. If, within thirty days after issuance of the written notice, the county treasury is not reimbursed for the amount on the written notice, the prosecuting attorney of the county shall recover that amount from the officer or employee or appointing authority who is liable under this section by civil action in any court of appropriate jurisdiction.

Section 2. Credit cards issued under previous versions of this Policy shall be deemed duly issued but use of those credit cards is subject to this Amended and Restated Credit Card policy.

Section 3. The Board requests the Clerk to distribute a copy of this Resolution to all county appointing authorities and to the County Auditor.

Section 4. The Board finds and determines that all of its formal actions concerning and relating to adopting this Resolution occurred in an open meeting of this Board, and that all deliberations of this Board that resulted in such formal action were in meetings open to the public and in compliance with all legal requirements including Revised Code §121.22.

David A. Lawrence introduced this resolution and moved its passage; Dave Burke seconded the motion; and after discussion, the chair called a roll call vote, and the results were:

Steve Robinson	<input checked="" type="radio"/> Yes	No
Dave Burke	<input checked="" type="radio"/> Yes	No
David A. Lawrence	<input checked="" type="radio"/> Yes	No

Passed: February 7, 2024

ATTEST: Sara Early
Sara Early, Clerk

BOARD OF COUNTY COMMISSIONERS
UNION COUNTY, OHIO

Steve Robinson
Steve Robinson

Dave Burke
Dave Burke

David A. Lawrence
David A. Lawrence

Approved as to Form:

Thayne D. Gray
Thayne D. Gray
Assistant Prosecuting Attorney
Feb. 7, 2024

CLERK'S CERTIFICATION

I certify that the foregoing is a true and correct copy of Commissioners Resolution 24 -
_____ adopted on _____, 2024, and journalized in
Commissioners Journal 2024.

Sara Early, Clerk

Date: _____, 20____

**UNION COUNTY CREDIT CARD PROGRAM
DEPARTMENT APPLICATION**

SECTION 1 – APPLICANT INFORMATION

Elected Official/Department: _____

Office Phone: _____ E-Mail: _____

SECTION 2 – CARD LIMITS

The Credit Card is issued in a department's name for use by authorized personnel in accordance with Union County Policies and Procedures. The department requests the following transaction limit for the entire department:

Maximum dollar amount allowed for any departmental card \$ 5000.00.

SECTION 3 – DEPARTMENT/AGENCY CONTACT

The individual listed below will serve as the credit card coordinator for the department, responsible for tracking and issuing cards, immediately reporting lost or stolen cards, and coordinating with the County Auditor for accounts payable.

Department Credit Card Clerk: _____

Phone: _____ E-Mail: _____

SECTION 4 – APPROVAL

Auditor Approval: _____ Date: _____

SECTION 5 – USERS

Department/Agency Credit Card Users

**UNION COUNTY CREDIT CARD PROGRAM
CARD USER ACKNOWLEDGEMENT**

The credit card represents Union County's trust in you. You are empowered as a responsible agent to safeguard Union County assets. Improper use of this card can be considered misappropriation of Union County funds. This may result in disciplinary action up to and including termination of employment. Your signature below verifies that you have read the Union County Credit Card Policy and Procedures, and agree to comply with them as well as with the following responsibilities. Your signature also acknowledges that you have authorization to use Card # _____ Issued in the Name _____.

1. I understand the card is for County-approved purchases only, and I agree not to charge personal purchases.
2. I understand that all charges will be billed directly to and paid directly by the County. The bank cannot accept any monies from me directly. Therefore, any personal charges billed to the County could be considered misappropriation of County funds.
3. If the card is lost or stolen, I will immediately notify the card issuer by telephone. I will provide the card issuer written notification by mail or fax, with copies to the program administrator (County Auditor) and my agency coordinator.
4. As the card is County property, I understand that I am required to comply with internal control procedures designed to protect County assets. This may include being asked to produce the card to validate its existence and account number.
5. I will retain all receipts received for all expenditures made using the credit card. I will resolve any discrepancies by contacting the vendor first, and then involving the program administrator (County Auditor), when necessary.
6. I have received a copy of the Department's Credit Card Policy, and procedures for the credit card program. I understand the program requirements and agree to follow them. Failure to do so may result in revocation of the card or other disciplinary action.
7. I understand the card is not available to all employees. Assignment is based on my need to pay for work-related expenses. My use of the department's card may be revoked based on change of assignment or location. I understand that the card is not an entitlement, nor reflective of title or position.
8. I have read the approved purchase codes for this card and understand that all purchases made with this card should be for items within the categories approved.
9. I understand that I am fiscally responsible for charges on the credit card if they are in violation of the credit card policy.

Employee Signature

Agency Authorization: _____
Signature

Employee Printed Name Date

Printed Name Date