



<b>POLICY AND PROCEDURE</b>	
SUBJECT/TITLE:	Credit Card Policy
APPLICABILITY:	Administration and Division Leaders
CONTACT PERSON & DIVISION:	Fiscal Officer, Administration
ORIGINAL DATE ADOPTED:	05/21/2018
LATEST EFFECTIVE DATE:	05/21/2018
REVIEW FREQUENCY:	Every 5 years or when the City Changes/Updates the City Credit Card Policy
BOARD APPROVAL DATE:	05/21/2018
REFERENCE NUMBER:	700-004

**A. PURPOSE**

To outline the process of controlling, using and accounting for a City provided credit card, internal control requirements and to prescribe the consequences for misuse of credit/charge cards.

**B. POLICY**

The Canton City Health Department (CCHD) will maintain a City credit card and allow Authorized Users to use the credit card for certain health department expenditures.

**C. BACKGROUND**

The City approved a “Policy and Procedures for Credit Cards” effective January 1, 2018.

**D. GLOSSARY OF TERMS**

**Authorized User** – Employee authorized to use the Health Department credit card.

**E. PROCEDURES & STANDARD OPERATING GUIDELINES**

PROCEDURE FOR ISSUANCE AND CONTROL OF CREDIT CARDS

The Health Commissioner will first send a written request outlining the reason and need(s) to the City Auditor’s Office requesting the issuance of the credit card for the health department, as well as the dollar limit(s) needed (copy to the Treasurer’s Office of this request.) The Auditor’s office will notify the Department and the Treasurer’s office of approval to issue the card per the department’s request. The Auditor, along with the Treasurer, will communicate to the department the card limit set and any restrictions placed on the usage of the card such as transaction dollar amounts and number of transactions permitted if placed on the card per department’s request. The credit card will be issued to the Health Department and not individuals.

The Health Commissioner will request that the credit card limit be set at \$5,000.00. The credit card will be monitored by the Fiscal Officer and if the credit limit is too low or high, the Health Commissioner can request that the limit be increased or decreased.

The credit card will be issued with the name “City of Canton” and the Health Department listed on the face of the card. The credit card will be signed-out and signed-in by the Authorized User using the card. The credit card will be locked in a safe or cabinet in the Fiscal Officer’s office when not in use.

Once the credit card is received by the Treasurer’s office, a copy of the policy outlining the proper use of the cards, the consequences of misuse and the necessary documentation to be provided to the Auditor’s office for payment to the credit card company shall be given to all persons who have been authorized to use the card(s) prior to issuance. An acknowledgment of receipt and understanding of said policy shall be signed and dated by each individual authorized to use the credit card prior to issuance. A copy of the Acknowledgement will be



maintained with the Treasurer's Office and within the employee's personnel file in the Human Resource Department.

#### GENERAL GUIDELINES FOR USING THE CREDIT CARD

As credit cards are at times necessary to transact certain types of purchases or services, it should **not** replace the normal process of making city government expenditures. However, when the method of payment for the purchase requires a credit card, the individual user(s) of the card should ensure the following prior to use:

1. A purchase order should be opened prior to using the credit/charge card for payment to be made to the credit card company.
2. The 'particular' good or service being purchased falls within the guidelines of "proper public purpose" or "proper use of public funds" as defined by City procurement rules, O.R.C. and OAC. Any uncertainty should be vetted with either department head/supervisor or Auditor's office prior to use when possible.
3. The authorized type of expenditure being made on the credit card should fall within line of the normal type of expenditures that would be expected to be made by the health department. Expenditures that would not be normal could possibly be considered unauthorized and constitute a misuse of the card. A list of a few types of expenditure categories that would be prohibited are listed below:
  - a. Entertainment
  - b. Any personal goods or services (e.g. televisions, car fuel, utility bills, on-line shopping etc)
  - c. Cash advances
4. Credit card purchases should be for health department purchases only and any personal use is strictly prohibited and would constitute an unauthorized purchase and a misuse of the credit card. Misuse of a city credit card can result in disciplinary actions, as well as requiring repayment by the individual(s) responsible. Repayment of City funds will require a reimbursement for that particular expenditure by the individual via a payment to the City or taken directly out of employee wages if necessary. **Note: Those holding City issued credit cards are responsible for safeguarding the city issued card and should secure the card at all times from the potentials of theft or fraud perpetrated by others. In the event of discovering the loss or theft of the card, the employee should immediately notify the Fiscal Officer and the Fiscal Officer will notify the Treasurer's office to have the card deactivated as soon as possible. Failure to report or timely report a stolen credit card could result in disciplinary actions and a prohibition from holding/using a card in the future.**
5. The credit card expenditures are within the allowable budgeted amounts per the transaction line item and within spending limits as set.

#### CASH WITHDRAWALS

Under no circumstances should cash be withdrawn against credit card balances. Cash withdrawals may be considered a "Misuse of a Credit Card" under ORC Section 2913.21.

#### AUDIT EVIDENCE AND CREDIT CARD CONTROLS

1. Credit card expenditures will be reconciled by the Fiscal Officer. All original documentation (itemized receipts, register tapes, sales slips, invoices etc and any other documentation as deemed necessary for audit evidence by the Auditor's office) will be reviewed by the Fiscal Officer for existence, completeness and accuracy of all information related to the credit card expenditure. These items should be included and submitted with the invoice batch that is sent to the Auditor's office for payment of credit card balances due. Items included in the invoice batch for payment should be reconciled up to the card statement cut-off date.



The department must consider timely submission of information to the Auditor's office for credit card statement payments to avoid any penalties or late charges due to not meeting payment due dates.

2. A credit card statement does not substitute for any of the original documents as listed above. A credit card statement does not include enough detailed information of the expenditure to satisfy audit evidence as required. Missing documentation could result in an employee being responsible for payment of a portion of the account balance or could potentially be considered a misuse of the credit card. In the event of lost or missing receipt, the card user should attempt to obtain a copy of the receipt from the vendor.

#### DISCIPLINARY ACTIONS FOR MISUSE OF CREDIT CARD

Failure to comply with the terms as set out within this policy and all purchasing rules and laws as established by and applicable to the City, Ohio Revised Code and Ohio Administrative Code Sections may result in disciplinary actions which could include termination of employment per 800-006-P\_Employee Discipline Policy.

#### PROCEDURE FOR USING THE CREDIT CARD

1. The Authorized User who is requesting to use the credit card will first make sure a PO has been opened before the use of the credit card.
2. The Authorized User will fill out 700-004-01-F\_Credit Card Sign Out form Section 1 and take the form to the Fiscal Officer. If the Fiscal Officer is not in the building, the Authorized User will take the form to the Health Commissioner. In the case of the Fiscal Officer, the form will be taken to the Health Commissioner for approval of the credit card. If the Fiscal Officer is not available and the Health Commissioner requires to use the credit card, another Division leader could be responsible for signing off on the Credit Card Sign Out form and vice versa if the Health Commissioner is not available when the Fiscal Office requires to use the card.
3. The Fiscal Officer or designee will review the request. If the request is deemed to be a valid expenditure on the credit card, the Fiscal Officer or designee will authorize the Authorized User to use the card.
4. The Fiscal Officer or designee will write on the Credit Card Sign Out form the time the card was taken out. The Fiscal Officer or designee will keep the form.
5. The credit card will be locked up in the Fiscal Officer's Office. The Fiscal Officer or designee will retrieve the card and give to the Authorized User.
6. The Authorized User will only use the card for the reason described on the Credit Card Sign Out form.
7. The credit card **is not** to be taken out of the health department office. The credit card is **only** to be used in the Health Department offices.
8. The credit card **is not** to be kept overnight by the Authorized User. The credit card will be returned to the Fiscal Officer or designee no later than 4:00pm on the same day the credit card was taken out by the Authorized User.
9. The Authorized User can only make one transaction at a time and **can** only purchase up to **\$2,000.00** per transaction.
10. Once the credit card is returned, the Authorized User will complete Section 2 of the Credit Card Sign Out form.
11. The Authorized User will provide the credit card receipt to the Fiscal Officer or designee.



12. The Fiscal Officer or designee will write on the Credit Card Sign Out form the time the card was returned and sign and date the form.
13. The Fiscal Officer or designee will attach the receipts to the form and file the form.
14. When paying the credit card purchases, the Fiscal Officer will follow the City’s normal procedure for paying invoices.

**AUTHORIZED USERS**

Below is a list of Authorized Users for the use of the credit card:

1. Fiscal Officer
2. Health Commissioner
3. APC Administrator

No other employees will have access and use of the Health Department’s credit card.

**F. CITATIONS & REFERENCES**

800-006-P\_Employee Discipline Policy

**G. CONTRIBUTORS**

The following staff contributed to the authorship of this document:

1. Christi Allen, Fiscal Officer

**H. APPENDICES & ATTACHMENTS**

700-004-02-A\_City’s Policy and Procedures for Credit Cards

**I. REFERENCE FORMS**

700-004-01-F\_Credit Card Sign Out

**J. REVISION & REVIEW HISTORY**

Revision Date	Review Date	Author	Notes

**K. APPROVAL**

This document has been approved in accordance with the “800-001-P Standards for Writing and Approving PPSOGs” procedure as of the effective date listed above.

## Credit Card Sign Out

- The credit card can only be signed out and used by an Authorized User (Fiscal Officer, Health Commissioner and APC Administrator)
- The credit card can only be signed out and returned in the same day (returned by 4:00pm).
- Credit card purchase cannot exceed \$2,000.00 per transaction.

**To be completed by the Authorized User taking the credit card (complete when signing out the credit card).**

### **SECTION 1**

Date \_\_\_\_\_ Division \_\_\_\_\_

Authorized user's name and title \_\_\_\_\_

Reason for the use of the credit card \_\_\_\_\_

### **Purchase Order Information**

A purchase order (PO) shall be opened prior to using the credit card. The PO will always be opened in the name of the credit card company (provided by the Auditor's office).

PO Number \_\_\_\_\_ Date of PO \_\_\_\_\_ Amount of PO \_\_\_\_\_

### **SECTION 2**

**Credit Card Purchase Information** (complete when returning the credit card)

Amount of credit card purchase \_\_\_\_\_

Vendor/Merchant name \_\_\_\_\_

**\*\*Attach credit card receipt to this form.**

**I agree that the above information is correct to the best of my knowledge.**

\_\_\_\_\_  
Authorized User's Signature

\_\_\_\_\_  
Date

*\*To be signed when the card is returned.*

-----  
**For Use by the Fiscal Officer (or designee)**

Date \_\_\_\_\_

Time the card was taken out \_\_\_\_\_

Time the card was returned \_\_\_\_\_

\_\_\_\_\_  
Fiscal Officer's Signature for Approval

\_\_\_\_\_  
Date

*\*To be signed when the card is returned and signed by the Authorized User.*

City of Canton  
Office of the Auditor  
Richard A. Mallonn II, Canton City Auditor

Effective: 1/1/18

## Policy and Procedures for Credit Cards

### Purpose

To outline the process of **issuing, controlling, using and accounting** for City provided credit cards in accordance with City **policies**, Ohio Revised Code (ORC) Section 2913.21, **Misuse of Credit Cards** and Ohio Administrative Code (OAC) Section 117-2-01 Internal Controls requirements and to **prescribe** the consequences for misuse of credit/charge cards.

### Procedures for Issuance and Control of Credit Cards

- A. When it is determined a credit card(s) is needed within a department, the employee(s) should inform and discuss the reason(s) for the need with the Department Head/Supervisor to determine if in fact it is needed in the daily operations of City business. If a **need is** determined, the Department Head/Supervisor **shall** send a written request outlining the reason and need(s) for the credit card to the Elected Official or Appointing Authority who will make the final decision on whether the department (or individual(s)) within the department will be issued a credit card(s). Within the written request, a list of names and/or positions should be included as those who will be authorized to make purchases using the City issued cards. The Elected Official or Appointing Authority will send the written request to the City Auditor's Office requesting the issuance of the card(s) either for the department or the individual(s) as listed, as well as the dollar limit(s) needed (**copy to the Treasurer's Office of this request.**) **The Auditor's office will notify the Department and the Treasurer's office of approval to issue the card per the department's request. The Auditor, along with the Treasurer, will communicate to the department the card limit set and any restrictions placed on the usage of the card such as transaction dollar amounts and number of transactions permitted if placed on the card per department's request.**
- B. The Treasurer's office will keep a listing of all cards assigned to departments and individual/position **possessing** the card. This list should **be** periodically reconciled with the departments as a control procedure over the number of cards outstanding. Since credit cards will be issued with the name "City of Canton" and the "Department" listed on the face of the card, if one card is issued for a department with multiple authorized users, **it should be signed-out and signed-in by the individual using the card if taken offsite for use.** Also, if a card is issued to an individual, we will not reissue new cards based on personnel changes within the department which holds **the** card based on card face information as mentioned above. Those holding city issued credit cards will surrender the card back to the Elected Official/Appointing Authority/Department Head when an employee transfers or resigns from their position within that department or from the City. The Elected Official/Appointing Authority/Department Head will return the card of the former department employee to the Treasurer's office for safekeeping until requested for a new employee who will be given the policy and procedures to review and acknowledge before receiving the card (**as outlined in the next paragraph**). All cards being held on city property should be held in a secured and locked location such as a safe or cabinet drawer at all times.

## 700-004-02-A\_City's Policy and Procedures for Credit Cards

- C. Once the cards are received by the Treasurer's office, a copy of the policy outlining the proper use of the cards, the consequences of misuse and the necessary documentation to be provided to the Auditor's office for payment to the credit card company shall be given to all persons who have been authorized to use the card(s) prior to issuance. **(See pages 2 and 3 for policy information)**. An acknowledgment of receipt and understanding of said policy shall be signed **and dated** by each individual authorized to use the cards prior to issuance. **(A copy of the Acknowledgement will be maintained with the Treasurer's Office and within the employee's personnel file in the Human Resource Department).**

### General Guidelines for Using the Credit Card

- A. As credit cards are at times necessary to transact certain types of purchases or services, it should **not** replace the normal process of making city government expenditures. However, when the method of payment for the purchase requires a credit card, the individual user(s) of the card should ensure the following prior to use:
1. A purchase order should be opened prior to using the credit/charge card for payment to be made to the credit card company.
  2. The 'particular' good or service being purchased falls within the guidelines of "proper public purpose" or "proper use of public funds" as defined by City procurement rules, **O.R.C.** and **OAC**. Any uncertainty should be vetted with either department head/supervisor or Auditor's office prior to use when possible. (i.e. when on a business trip and using a city issued card to cover a meal, alcoholic beverages will not fall under proper public expenditure)
  3. The authorized type of expenditure being made on the credit card should fall within line of the normal type of expenditures that would be expected to be made by that department. Expenditures that would not be normal could possibly be considered unauthorized and constitute a misuse of the card. **(Also see the City's 'Revised Travel Expense Policy' - effective date January 1, 2007 and Health Dept Travel Authorization Policy and Procedure - effective date November 2, 2016. These respective policies should also be referred to when determining proper use of a credit card during city business travel. A list of just a few types of expenditure categories that would be prohibited are listed below:**
    - a. Entertainment
    - b. Any personal goods or services (e.g. televisions, car fuel, utility bills, on-line shopping etc)
    - c. Cash advances
  4. As with normal city transactions, expenditures over a certain dollar limit would require certain approvals before expenses are incurred. These procedures should continue to be followed with credit card use as well.

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5. Credit card purchases should be for City purchases only and any personal use is strictly prohibited and would constitute an unauthorized purchase and a misuse of the credit card. Misuse of a city credit card can result in disciplinary actions, as well as **requiring** repayment by the individual(s) responsible. Repayment of City funds will require a reimbursement for that particular expenditure by the individual via a payment to the City or taken directly out of employee wages if necessary. **Note: Those holding City issued credit cards are responsible for safeguarding the city issued card and should secure the card at all times from the potentials of theft or fraud perpetrated by others. In the event of discovering the loss or theft of the card, the employee should immediately notify their supervisor and the Treasurer's office to have the card deactivated as soon as possible. Failure to report or timely report a stolen credit card could result in disciplinary actions and a prohibition from holding/using a card in the future.**
6. The credit card expenditures are within the allowable budgeted amounts per the transaction line item and within spending limits as set: **(Limit per transaction type should be set as deemed appropriate (limits can be reviewed and raised if determined not high enough after usage of the card start) by Elected Official/Appointing Authority/ Department Head and approved by Council, and built in card controls are set to ensure amounts and number of transactions cannot be exceeded by cardholders). The Elected Official/Appointing Authority/Department Head will provide a written copy of expenditure and transaction limits to the Auditor/Treasurer prior to receiving the card.**

### Cash Withdrawals

Under no circumstances should cash be withdrawn against credit card balances. Cash withdrawals may be considered a "Misuse of a Credit Card" under ORC Section 2913.21.

### Audit Evidence and Credit Card Controls

- A. Credit card expenditures will be reconciled by the fiscal officer/accountant of each department issued the cards. All original documentation (itemized receipts, register tapes, sales slips, invoices etc **and any other documentation as deemed necessary for audit evidence by the Auditor's office**) will be reviewed as normal by the department fiscal officer/department head for **existence, completeness and accuracy of all information related to the credit card expenditure**. These items should be included and submitted with the invoice batch that is sent to the Auditor's office for payment of credit card balances due. Items included in the invoice batch for payment should be reconciled up to the card statement cut-off date. The department must consider timely submission of information to the Auditor's office for credit card statement payments to avoid any penalties or late charges due to not meeting payment due dates.
- B. **Please note, a credit card statement does not substitute for any of the original documents as listed above. A credit card statement does not include enough detailed information of the expenditure to satisfy audit evidence as required. Missing**



**700-004-02-A\_City's Policy and Procedures for Credit Cards**

documentation could result in an employee being responsible for payment of a portion of the account balance or could potentially be considered a misuse of the credit card). In the event of lost or missing receipt, the card user should attempt to obtain a copy of the receipt from the vendor. When this attempt fails, after exhausting all possibilities, only then should the "Lost/Missing Receipt's Form" be used to authorize payment of the expenditure (See attached Form).

**Disciplinary Actions for Misuse of Credit Card**

Failure to comply with the terms as set out within this policy and all purchasing rules and laws as established by and applicable to the City, Ohio Revised Code and Ohio Administrative Code Sections may result in disciplinary actions which could include termination of employment.

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**ACKNOWLEDGMENT:**

I have read the above City policy and procedures and Ohio Revised Code and Ohio Administrative Code section for the issuing, controlling, using and accounting for credit/charge cards. Also, I have read and understand any related Ohio Revised Code and Ohio Administrative Code requirements listed within this policy that relate to credit/charge card use and understand those requirements for using credit/charge cards. I understand that by not following this policy and these laws, I am subject to disciplinary action as determined by the City and its applicable procedures.

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Employee Printed Name

Dated: \_\_\_\_\_

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Employee Signature

Dated: \_\_\_\_\_

**Note:** As the use of credit cards become more prevalent within the City, this policy will continue to evolve and is subject to changes and revisions over time and an updated policy will be issued at that time for review and signature.



THE CITY OF  
**CANTON**  
THOMAS M. BERNABEI, MAYOR

## LOST/MISSING RECEIPT FORM

*(Complete this form only when a receipt has been lost and is not obtainable from a vendor)*

When a receipt is lost or unavailable and all measures to obtain a copy have been exhausted, the Lost/Missing Receipt Form should be completed. This form should be signed by the employee and the employee's supervisor and submitted with the employee's payment request.

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\_\_\_\_\_  
Vendor/Merchant Name

\_\_\_\_\_  
Vendor/Merchant State

\_\_\_\_\_  
Purchase Date

Expense Amount: \_\_\_\_\_

I am missing a receipt for: \_\_\_\_\_

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The receipt was (check applicable)

Lost       Never Received       Other \_\_\_\_\_

The form of payment I used (check applicable)

Procurement Card       City Credit Card       Personal Credit Card

Check       Cash       Other

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I understand that the Lost/Missing Receipt Form Affidavit should be used on rare occasions and may not be used on a routine basis. I further understand excessive loss of receipts may result in a revocation of my privilege of using city credit cards or payments being made by the City for goods or services purchased.

I certify the amount shown above is correct and the actual amount paid for goods or services received for the City.

\_\_\_\_\_  
**Employee's Signature**

\_\_\_\_\_  
**Employee Supervisor's Signature**



**800-001-03-F PPSOGF APPROVAL FORM**

DATE INITIATED:	05/21/2018
DATE FINAL:	05/21/2018

**LIST OF PPSOGFS TO APPROVE**

Reference #	Revision Date	Author	Person(s)/Group(s) to Approve
700-004-P	05/21/2018	Christi Allen	Fiscal Officer, Board of Health
700-004-01-F	05/21/2018	Christi Allen	Fiscal Officer, Board of Health

Add or delete rows as needed

**SIGNATURES**

The below signatures indicate the above list of policies and procedures have been approved and are effective as of the date of this final approval form.

*Christi Allen*

Christi Allen  
Fiscal Officer

*5/21/18*

Date

Board of Health      Approved May 21, 2018

*Sybil E. DeLeon*

President, Board of Health

*5/21/18*

Date