

**RESOLUTION AMENDING AND REPLACING THE CREDIT CARD USAGE POLICY FOR ASHTABULA COUNTY**

WHEREAS, The Ashtabula County Credit Card Usage Policy was revised and adopted on August 2, 2016 by Resolution No. 2016-204 and amended on August 30, 2017 by Resolution No. 2017-246; and

WHEREAS, Credit cards are designed to make purchases in a manner that meets the needs of County government in an increasingly internet-based business environment. This program is an alternative to the traditional purchasing process and can significantly reduce the number of purchase orders and payments processed, eliminating paperwork and processing time. It is convenient for both the County and the vendor, and the program can also help minimize or eliminate the need for the use of personal funds reimbursed by expense report; and

WHEREAS, In accordance with Ohio Revised Code (ORC) Section 301.27, the Board of County Commissioners of Ashtabula County, with the advice of the Ashtabula County Auditor, has formulated the policy for the use of the cards which sets limits for, among other things, spending, card activity and allowable expenditures **and** establishes administrative controls that the Board, after consulting with the County Auditor, determines will be sufficient for use of a credit card; and

WHEREAS, the Credit Card Policy has been amended and said policy will replace any previously adopted policy; now

THEREFORE, BE IT RESOLVED, By the Board of Commissioners of Ashtabula County, Ohio, that the Ashtabula County Credit Card Usage Policy is hereby approved and adopted with said policy amending and replacing any previous Credit Card policy adopted by this Board of County Commissioners.

BE IT FURTHER RESOLVED, a complete copy of the policy is now on file in this office and the Clerk will send the amended Credit Card policy to all card holder offices and to Human Resources for inclusion in the Ashtabula County Personnel Policy Handbook.

**ASHTABULA COUNTY COMMISSIONERS  
CERTIFICATION PAGE**

**Resolution No. 2024-197**

**April 09, 2024**

**RESOLUTION AMENDING AND REPLACING THE CREDIT CARD USAGE POLICY  
FOR ASHTABULA COUNTY**

**Upon the motion of J.P. Ducro IV, seconded by Casey R. Kozlowski.**

**VOTE:**

**Kathryn L. Whittington**

**Aye**

**J.P. Ducro IV**

**Aye**

**Casey R. Kozlowski**

**Aye**

**CERTIFICATE OF CLERK**

IT IS HEREBY CERTIFIED that the foregoing is a true and correct transcript of a resolution acted upon and duly passed by the Board of County Commissioners of Ashtabula County, Ohio, on the date noted above.



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Lisa Hawkins, Clerk of the Board  
Board of County Commissioners  
Ashtabula County, Ohio

**Board of Commissioners  
Ashtabula, Ohio  
Credit Card Policy**

**Background**

Credit cards are designed to make purchases in a manner that meets the needs of County government in an increasingly internet-based business environment. This program is an alternative to the traditional purchasing process and can significantly reduce the number of purchase orders and payments processed, eliminating paperwork and processing time. It is convenient for both the County and the vendor, and the program can also help minimize or eliminate the need for the use of personal funds reimbursed by expense report.

Benefits include an expanded list of merchants from whom purchases can be made, accelerated payment to the vendor, expedited delivery of goods, reduced paperwork, lower overall transaction processing costs per purchase, and the ability to set and control purchasing dollar limits.

**Authority**

Ohio Revised Code (ORC) Section 301.27 permits counties to use credit cards. The Board of County Commissioners of Ashtabula County ("Board"), with the advice of the Ashtabula County Auditor ("Auditor"), shall formulate the policy for the use of the cards. The policy, which will be adopted by the Board through resolution, shall set limits for, among other things, spending, card activity and allowable expenditures. It shall also establish administrative controls that the Board, after consulting with the County Auditor, determines will be sufficient for use of a credit card. The County Auditor shall develop internal accounting controls in consultation with the Auditor of State.

**General Information**

The credit card program is not intended to and shall not be used to avoid or bypass the competitive bid requirements of ORC 307.86. Further, the credit card program is not intended to avoid or bypass the appropriation of funds process, approval process (including Data Board approval, as applicable), or payment process. Rather, the program complements the established and existing processes. Expenditures may not exceed appropriations under any circumstances. Billings for authorized purchases made within the limits of appropriated amounts will be paid using County funds.

In accordance with ORC 301.27(E)(1), items and/or services purchased through the credit card program are only for the official use of Ashtabula County. The card can be used for in-store purchases as well as mail, e-mail, Internet, telephone and fax orders. It shall not be used as an ATM (automated teller machine) card, a debit card, or for cash advances. The card is not to be used for personal or non-work-related purchases.

The card program carries corporate (County) liability, not individual liability; however, **individual liability is imposed for inappropriate use.** Pursuant to the procedure established

in ORC 301.27(J) if the Auditor determines that the cardholder has used the credit card beyond the appropriated or authorized amount or for an inappropriate or unlawful purpose, the Auditor shall immediately notify the Board. When the Board determines that the County Treasury should be reimbursed for credit card expenditures beyond the appropriated or authorized amount as provided in this policy or elsewhere in ORC 301.27, it shall give written notice to the Auditor, the appointing authority who authorized the card, and the cardholder. If within thirty (30) days after issuance of this written notice the County Treasury is not reimbursed for the full amount shown on the written notice, a referral will be made to the County Prosecutor and/or local law enforcement to recover that amount from the cardholder by civil action in a court of competent jurisdiction or for an investigation of a violation of ORC 2913.21.

## **Policies and Procedures**

### **1. Definitions**

a. Agency means a county officer, commission, board, or body having the power of appointment to, or removal from, positions in any county office, department, commission, board or institution.

b. Coordinator means the individual an Agency names to fulfill the responsibilities set forth in Section 3 of the Credit Card Policy.

### **2. Agency defined and requirements**

The Agency may apply to the Board of County Commissioners for authorization to have an employee under its authority use a credit card held by that Agency to pay for any expense allowable under 301.27(E)(1), and shall at the beginning of each quarter provide the Board an estimate of those expenses expected to be purchased using the credit, as outlined in 301.27(F)(1).

### **3. Coordinator defined and requirements**

Each Agency that participates in the credit card program will name a program coordinator. The Coordinator will be responsible for resolving disputes with merchants and reviewing and reconciling card activity for the Agency's card(s). The Coordinator will be designated when the application for the card is approved by the Board. If the Coordinator is also a cardholder, another employee must serve as an alternate coordinator to approve any transactions involving the Coordinator's card.

The Board of Commissioners Office will be the primary point of contact for the credit card program. The Auditor will be responsible for the certification of funds. The Board of Commissioners will be responsible for the ordering of cards which are distributed from the credit card agency, processing cardholder applications, limit adjustments, suspensions, cancellations, and program compliance, The Coordinator is responsible for troubleshooting problems encountered with card use or vendor authorization and notification to the Board of Commissioners and follow up on lost or stolen cards. The Board of Commissioners or credit card merchant will provide training for department coordinators and cardholders, as needed.

#### 4. Establishment of card limits

The maximum limit of credit exposure at any given time will not exceed \$250,000.

Individual credit cards are subject to the following maximum limits, as determined by the Board upon initial approval of the card:

	<i>Range</i>
1. Card Limit	\$500 to \$20,000
2. Daily spending per card:	\$500 to \$20,000
3. Monthly spending per card:	\$500 to \$20,000
4. Single transaction limit:	\$20,000
5. Daily number of transactions per card:	10
6. Monthly number of transactions per card:	50

Exception: Pre-approval by the Board of County Commissioners, is required for any purchase or use in excess of an established limit.

***Purchases may not be split to bypass the single transaction limit.***

Through the cardholder application process, Agencies will define limits for specific cardholders, not to exceed the limits established above.

#### 5. Designation of allowed/prohibited transactions

Pursuant to ORC 301.27(E)(1), credit card purchases are allowable for:

- The purchase of any work-related item
- The purchase serves a public purpose

By further example, the following is a non-exclusive list of allowable items:

- Office Supplies, furniture and equipment
- Meals, including reasonable gratuity not to exceed 20%
- Computer supplies
- Building maintenance materials and supplies
- Authorized travel expenses including sales tax for dine in meals and lodging tax, if hotel will not accept the county's sales tax exemption.
- Room Service (requires an itemized breakdown/billing)
- Fuel purchases approved as part of travel expenses
- Capital equipment with express written permission provided by the Board of County Commissioners
- Information Technology hardware, software, and technical support, as permitted by the Data Board and its policies
- Postage
- Recurrent subscriptions and advertising
- Items related to wards in the care of the State of Ohio

- Items allowable and used in the ordinary course of business as permitted under ORC 301.27(E)(1).

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## **6. Special Provision for the Ashtabula County Nursing & Rehabilitation Center**

- A credit card can be utilized whenever there is a circumstance, as determined and approved by the Director of ACNRC, that a credit card be used for any payments that directly benefit the residents of ACNRC. For example, Amazon/other online purchases and tickets or fees for activity outings.
- It is understood that the credit card payment for such individual costs, shall be reimbursed from the ACNRC residents account.

## **7. Allowed Uses and Misuse Action**

The card may not be used to pay for the following:

- Services that are 1099 eligible
- Entertainment/recreation (except as allowed in the ACNRC provision)
- Adult publications/entertainment
- Alcoholic beverages
- Any merchant, product, or service normally deemed not consistent with county policy or the Ohio Revised Code

ATM, cash advances, and all other cash-related transactions are strictly prohibited.

No late charges or finance charges shall be permitted as allowable expenses.

Purchases cannot be used in any manner to circumvent competitive bidding requirements for purchases and contracts as determined by the Ohio Revised Code. Purchases must be in compliance with all applicable laws, regulations, and county policies, including, but not limited to the county procurement policy and the county expense reimbursement policy.

In the event an Agency does not have its own credit card, either the Commissioners' Office or Auditor's Office may make a purchase on its credit card on behalf of another Agency. The Agency must have a purchase order opened prior to any purchase being made. Additionally, this arrangement must be approved by the Board of Commissioners prior to any purchase being made.

Any use of a credit card outside of or inconsistent with the above defined appropriate uses will be considered an unauthorized use of the card unless the procedures outlined in ORC 301.27(J) are followed.

## **8. Virtual Cards**

A virtual card is a card for either one-time use or a card tied to a specific set of purchases for on-going use over a defined time period. With the approval of the County Auditor, virtual cards may be created for use in the routine payment of bills previously entered in the finance system.

With the approval of the Board of Commissioners and County Auditor, virtual cards may be created for any on-line purchases, with limits following those outlined in Section 4.

## **9. Sales and use tax**

Except as otherwise noted elsewhere in this policy, purchases made with the County credit card are tax-exempt. The name of the County and the words "tax-exempt" may be placed 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.

## **10. Application for issuance of credit card and subsequent profile changes**

The Coordinator will prepare the application, obtain the approval signature from the Agency head or board, and submit to the Ashtabula County Clerk for processing. After the application is received, the Clerk will submit to the Board of Commissioners for approval by Resolution. Consistent with sections 4 and 5 above, the application will specify any new or modified monetary and transaction limits for the card.

Upon approval by the Board, the new card(s) will be issued or modifications will be made.

## **11. Cardholder acknowledgment and responsibilities**

The cardholder is responsible for the physical custody of the card and for maintaining confidentiality of all information relating to the card such as the account number and expiration date.

A cardholder is responsible for any and all improper, fraudulent, or inappropriate use of the card. Use of a county credit card for any use other than an authorized or permitted use allowed under ORC 301.27(E)(1) is a violation of law for purposes of ORC 2913.21, in accordance with 301.27(K).

After the card is issued, the cardholder and the Coordinator will meet with the staff member of the Ashtabula County Commissioners office to acknowledge receipt of the card, to assure that the cardholder understands the intent of the program, and to agree to adhere to the policy and guidelines established by the Board as well as those established by the cardholder's Agency. The cardholder will be required to sign a written acknowledgment of receipt of the card and understanding of the applicable policies. The Board of Commissioners will retain the signed acknowledgment and will forward a copy to the Agency.

## **12. Making purchases; record-keeping**

### **a. Purchase orders**

An encumbrance in the name of the card issuer must be established for each card through a purchase order. The purchase order amount should be set based on the

monetary and transaction limits established for the card and projected spending. This helps ensure that expenditures do not exceed available appropriations.

#### **b. Original receipts**

**When making a purchase, the cardholder shall obtain and forward to the Auditor the original receipt.**

Every effort should be made to ensure that the receipt contains the vendor's name, date of purchase, itemized description of purchase, per unit price and extended price. The cardholder will match and attach receipts to billing statements as part of the account reconciliation. **A cardholder will be held personally liable for missing receipts and may be required to reimburse the County for those billed purchases for which a receipt is not present or cannot be produced.**

#### **c. Email, internet, telephone and fax purchases**

Credit cards may be used to purchase goods over email, the internet, telephone, or fax. These purchases must be evidenced by written order confirmation along with an original itemized receipt or invoice.

When using the Internet, the cardholder must make sure the web site where the card information is being placed is secure and that all account numbers are encrypted while being passed electronically. A cardholder can determine if the web site address is secure in two ways:

- (1) An Internet web site is secure when the address changes from <http://www> to <https://www>. The "s" stands for secure.
- (2) 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.

Cardholders will be held responsible for all orders placed, even those with vendors that turn out not to be legitimate businesses.

The cardholder should inform the vendor that the purchase will be paid through the County credit card and that the purchase is tax exempt. The cardholder should also ensure the vendor will comply with the requirements of items c (above), and e and f (below).

#### **d. 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, sometimes if the "bill to" address does not match the "ship to" address. The Coordinator and Board of Commissioners should be notified if a purchase is denied.

**e. Agent, acceptance or service fees**

Some companies charge an agent, acceptance or service fee in order to process a credit card charge. If the fee is disclosed upfront, the allowable dollar limit on the fee is five percent of the total bill, not to exceed \$25.00. If the fee is **not** disclosed upfront, the fee needs to be disputed immediately, regardless of the fee amount. If the purchase is being made on state term or countywide contract, the vendor is prohibited from charging additional fees for use of a credit card. The Coordinator and Commissioner's office should be notified immediately of this breach of contract.

**f. Vendor invoices**

The card issuer will pay the vendor and the Coordinator or designated staff will process payment of the card issuer invoice through the County Auditor's office, in accordance with established policies/procedures. Vendors should not invoice the cardholder for purchases made with the credit card; however, the cardholder must always receive an itemized receipt or order confirmation.

**g. Purchasing log**

Each cardholder's designated person will maintain a purchasing log. The log records the transaction date, vendor name, the merchandise purchased, dollar value of sale, how the order was placed (via email, internet, phone, fax, mail or in person). A separate line is required for each purchase. The receipt for each purchase must be stapled to the log to expedite reconciliation with the billing statement. The log must be reviewed and signed by a supervisor or someone designated by the appointing authority. Cardholders cannot review and authorize their own purchasing logs.

**h. Monitoring card activity**

The Board of Commissioners shall serve as administrator for the credit card program having access and approval rights. Elected officials, department heads, Coordinators, and cardholders shall have viewing access for their respective area and cards, if desired.

**i. Cardholder in and out log**

The cardholder's designated person will be responsible for maintaining a record of each authorized person who takes the credit card. The Cardholder in and out log shall include the named/department and signature of the person taking the card, the date out, the date in (returned) and the last 4 digits of the card number. Said log shall be kept on file for 3 years, provided audited.

**13. Account reconciliation and payment of credit card billing**

Each cardholder's Coordinator or designated person will receive a statement identifying all transactions made during the billing cycle. The cardholder's Coordinator or designated person will reconcile the statement's accuracy against the purchasing log and receipts. Payment

cannot be made until the cardholder's Coordinator or designated person confirms receipt of the goods or services. A quote or backorder notice is not substantive evidence of the occurrence of the transaction.

The Agency head or its designee is responsible for reviewing the log for the appropriateness of purchases made with the card and for approving each statement for each cardholder under their supervision. The approval must be evidenced by the approver's signature. Once approved for payment, the Agency must submit the original statement, purchasing log and supporting receipts to the Auditor, with the voucher for payment processing. The County Auditor will issue payment, either by warrant or electronically, to the cardholder's Coordinator or designated person.

Timely completion of the reconciliation by the coordinator is imperative to avoid interest charges and late fees. The reconciliation process must be completed within five business days of receiving the cardholder statement. If this time frame cannot be met for any reason, the Coordinator must notify the Auditor.

#### **14. Returns, credits and dispute resolution**

Sometimes, there is a problem with a purchased item or service. Examples include, but are not limited to, broken merchandise, the billed amount does not match the quote, the billed amount includes sales tax, the statement contains a charge not recognized by the cardholder, or the statement contains duplicate charges from a vendor. In these instances, the Coordinator or cardholder should try to resolve the dispute with the supplier or merchant. If the purchased item needs to be returned to the supplier for any reason, a credit should be given to the credit card account. The Coordinator should be notified so they can verify that the credit appears on a subsequent statement. The cardholder cannot accept cash, rain check or house credit; credit must be returned to the card.

If the dispute cannot be resolved, the cardholder should contact the Auditor, who will work with the card issuer to resolve the dispute.

#### **15. Late fees or finance charges**

No late fees or finance charges shall be paid unless authorized by the Board.

#### **16. Lost or stolen cards**

If the card is lost or stolen, the cardholder must notify the card issuer immediately. Upon receipt of the phone call, further use of the card will be blocked. Prompt action will reduce the liability for fraudulent charges. The cardholder must confirm the phone call by written notification to the card issuer via mail or fax, with copies to the Coordinator and the Board of Commissioners. The date and time of the phone report of the lost or stolen card should be included in the written notification. The Board of Commissioners office will initiate issuance of a replacement card.

#### **17. Suspension or cancellation of card**

The Board reserves the right to cancel a cardholder account at any time. Cardholders who terminate their employment or whose job duties change and no longer include purchasing must surrender the card immediately. The Coordinator must obtain the cards and forward them to the Auditor for cancellation. Cardholders on extended leave or reassignment may have their card suspended. Intentional use of the card for personal purchases or for purchases made in violation of County policy will result in immediate card cancellation and may result in departmental disciplinary action. When and if necessary, the Board of Commissioners office will initiate suspension or cancellation of the card, and will notify the Board and Agency Coordinator.

#### **18. Penalties for improper use of card**

The card is to be used by the cardholder to pay for authorized, work-related expenses. The card may not be used to pay for personal transactions. Improper use of the card can be considered misappropriation of County funds. The cardholder and/or the appointing authority may be liable for any expense improperly incurred, in accordance with 301.27(H). This may result in disciplinary action up to and including termination of employment. Improper use can result in immediate cancellation of the cardholder's account. In addition, the cardholder is personally liable for payment of improper purchases and subject to criminal prosecution. ORC 309.12, 301.29(G)(4), 2913.21

#### **19. On-going Training and Acknowledgement**

Annually, the Board of Commissioners will distribute the policies and procedures to all cardholders and coordinators. The cardholders and coordinators shall sign and acknowledge receipt of the same. The Board of Commissioners may conduct training sessions from time-to-time for both cardholders and coordinators.

# APPLICATION FOR COUNTY CREDIT CARD PROGRAM

Original \_\_\_\_\_ Amended \_\_\_\_\_ Department/Office \_\_\_\_\_

Name \_\_\_\_\_ Department Coordinator \_\_\_\_\_

Daily spending per card: \_\_\_\_\_ (not to exceed \$20,000)  
Monthly spending per card: \_\_\_\_\_ (not to exceed \$20,000)  
Single transaction limit: \_\_\_\_\_ (not to exceed \$20,000)  
Daily number of transactions per card: \_\_\_\_\_ (not to exceed 10)  
Monthly number of transactions per card: \_\_\_\_\_ (not to exceed 50)

## CARDHOLDER ACKNOWLEDGEMENT

*The credit card represents the County's trust in you. You are empowered as a responsible agent to safeguard County assets. Improper use of this card can be considered misappropriation of County funds. This may result in disciplinary action up to and including termination of employment and/or criminal prosecution. Your signature below verifies that you have read and understand the County and agency policies and procedures and agree to comply with all the terms and conditions of these policies as well as with all the following responsibilities.*

1. I understand the card is for County-approved purchases only, and I agree not to charge personal purchases. 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. In the event of misappropriation, I acknowledge and authorize any wrongly spent funds to be taken from my regular earnings (including any vacation, sick, or compensatory time payouts).
2. The card is issued in the name of my department. I will not allow use of the card inconsistent with County policy. I am accountable for any and all charges against the card.
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 Board of County Commissioners 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 record all transactions on a purchasing log, attaching the related original receipts. I will receive a monthly statement listing all activity during the statement period, and will reconcile it with the purchasing log. I will resolve any discrepancies by contacting the vendor first, and then involving the office of the Board of Commissioners, when necessary. I understand that I will be personally liable for any purchases if I cannot provide the original receipt.
6. I understand the card is not provided to all employees. Assignment is based on my need to pay for work-related expenses. My card may be revoked at any time and for any reason. I understand that the card is not an entitlement, nor reflective of title or position.
7. I agree to surrender the card immediately upon termination of employment, whether voluntary or involuntary reasons, and upon retirement.

\_\_\_\_\_  
*Employee Signature*

Authorized by: \_\_\_\_\_  
*Agency Signature*

Approval by: \_\_\_\_\_  
*Board of Commissioners*

Approved by Resolution Number: \_\_\_\_\_

## Upon Issuance of the Card

8. I have received the credit card and a copy of the County's policies and procedures for the credit card program. I have read and fully understand the program requirements and agree to follow them. Failure to do so may result in revocation of the card or other disciplinary action, up to and including termination of employment and/or criminal prosecution.

Date: \_\_\_\_\_ Card Number \_\_\_\_\_ Employee Initials \_\_\_\_\_

Commissioner's Office Initials \_\_\_\_\_



Certification Request to County Auditor  
Request to Board of Commissioners  
Monthly Use of County Credit Cards  
(ORC 301.27)

In accordance with Ohio Revised code the Commissioner's office requests approval of the following amounts anticipated to be charged on the following county credit cards for the quarterly period of 1<sup>st</sup> quarter, 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup>.

Name of Card	Card Number	Amount
Erie Bank	6604, 6612, 6620, 6638	\$3,500

Charges to be expensed to:

G / L Account	Description of Expense	Amount Per Quarter
1001.001- xxx.xxx	travel expenses	\$3,000
1001.001.105-xxx- xxx	Gasoline expense	\$500

Original Credit Card Limit: \$1,000.00  
 1<sup>st</sup> Qtr. Expenses: \$ 50.00 actual  
 2<sup>nd</sup> Qtr. Expenses: \$ 50.00 actual  
 3<sup>rd</sup> Qtr. Expenses: \$ 50.00 estimate  
 4<sup>th</sup> Qtr. Expenses: n/a  
 Balance: \$850.00

I, David Thomas, Ashtabula County Auditor, hereby certify that at the time this request is presented, there are sufficient funds to the credit of the above line items to cover the anticipated expenditures.

Date \_\_\_\_\_

\_\_\_\_\_  
David Thomas, County Auditor

Ashtabula County Commissioners

Date \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

