

BOARD OF TRUSTEES POLICY

Credit Card Use Policy #13
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Revised: September 23, 2016
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Revised: December 20, 2018

Tipp City Public Library
11 E. Main Street
Tipp City, Ohio 45371

As a public institution, the Tipp City Public Library is held to a high level of accountability for its business practices. Every reasonable effort must be made by all employees to ensure that funds are used in a manner that is consistent with the Library's mission, applicable law, and ethical practices.

This policy facilitates library purchases and establishes guidelines for the distribution and use of:

(i) payment cards, checks or other payment instruments associated with a credit account issued by a financial institution or a retailer, and (ii) payment cards related to the receipt of grant funds. All such cards and instruments are referred to herein as "credit cards". All credit cards are issued in the name of the Tipp City Public Library and the specific name of an individual. This policy provides internal controls to ensure that employees comply with all the applicable requirements. Credit cards will be provided to the following staff positions:

Director credit limit up to \$15,000

Administrative Assistant credit limit up to \$5,000

Librarians, Library Clerks, Department Heads credit limit up to \$1,000

Audiovisual Purchasing credit limit up to \$5,000

Others with purchasing responsibilities as approved by the Director credit limit up to \$1,000

A credit card may not be used by anyone other than the individual to whom it is issued.

Prior to initial receipt of a credit card, each individual must agree to and sign the Credit Card Use Policy.

1. The Board authorizes the use of Library credit cards for use in connection with Board-approved or Library-related activities and for only those types of expenses that are for the benefit of the Library that serve a valid and proper public purpose shall be paid for by credit card. Credit cards will be used for travel expenses to conferences and/or workshops, pre-payment of materials and services, and other purchases approved by the Director. In any event, credit cards may be used only for expenditures that are within the applicable budget and departmental guidelines.

2. The Library will not obtain or maintain any debit cards.

3. The Director will work with the appropriate financial institutions that issue credit cards to determine the best type of credit card accounts for the Library, and also to determine which store credit card accounts the Library will utilize.
 - A. The Director and Fiscal Officer are responsible for working with the issuing financial institution to determine the dates when credit cards expire and the re-issuance of replacement cards.
 - B. The Director is responsible for determining and implementing, when necessary, the need to cancel a credit card account and any adjustment to credit limits on the credit cards.
 - C. The Director is responsible for notifying the issuing financial institution of a lost or stolen card.
4. Credit cards will be established in the name of the Tipp City Public Library and the specific name of an individual with a maximum credit limit for each set by the Director. Purchases must be pre-approved by the Director or his/her designee. Monthly expenditures shall be less than the credit limit set by Director.
5. Tipp City Public Library is exempt from State sales tax because it is a non-profit public school district library. As such, any sales tax charged will not be paid and will have to be reimbursed by the Cardholder. It is the responsibility of the Cardholder to obtain a tax-exempt certificate from the Fiscal Officer before the purchase is made.
6. For each purchase made using a credit card, an itemized receipt indicating the amount paid, the vendor, and the goods/services purchased must be submitted. An original itemized receipts, a signed copy of the credit card slip, and when applicable, other supporting documents must be filed with statements. In the case of Internet purchases, a screen print of the transaction can provide documentation of the purchase.

In the event the original itemized receipt is lost, employee will provide a summary of the charges including the detailed reason for the purchase. This summary must have the director's approval. Any undocumented purchase made with the Library credit card may become the responsibility of the charger. Use of a credit card for personal expenditures, for expenditures in excess of the applicable credit limit, or otherwise in violation of this policy constitutes a misuse of the credit card. Any Library personnel engaging in misuse of a credit card will be responsible to reimburse the Library for any unauthorized expenditures and may be subject to disciplinary action up to and including termination of employment.

7. The purchase of restricted items including, but not limited to alcoholic beverages, will be the sole responsibility of the charger.

8. Use of the card is limited to the library employee whose name appears on the face of the card unless expressly authorized by the Director. Employees may request to use a loaned TCPL credit card for preapproved authorized purchase. Loaned credit cards must be returned to the Director or his/her designee within one business day of purchase or two business days after return from travel.
9. Rewards points and gifts associated with credit cards are the property of the library and require Director approval to utilize. The Director will submit a report to the Library Board of Trustees regarding all credit card rewards received by the Library. Rewards should be presented to the board (at least) annually and included in the minutes/records. Amazon Smile donations and other store awards, points, etc. are considered rewards and MAY NOT directly be given to a library Friends group or other charity. All rewards must come to the library and then tracked.
10. The Library Board of Trustees will annually appoint a Compliance Officer. The Fiscal Officer may not serve as the Compliance Officer. The Compliance Officer will review all credit card accounts every six months. A report including: the number of accounts and issued/active cards, account expiration dates and credit limits will be presented at a monthly board meeting.
11. The Compliance Officer may use a credit card only with the prior authorization of the Fiscal Officer, except when the Library Director serves as the Compliance Officer. In this case, the Director-Compliance Officer may use a credit card as otherwise authorized in this policy.
12. The Compliance Officer may not authorize Library personnel to use a credit card, except that the Library Director serving in the role as Compliance Officer. In this case, the Director-Compliance Officer may authorize such use in accordance with this policy.
13. If a credit card is lost or stolen, or if Library personnel become aware of unauthorized or fraudulent use of any of the Library's credit card accounts, the status must be reported immediately to the Fiscal Officer and Compliance Officer. Credit cards are the property of the library and must be returned to the Director upon termination of employment with the Library.
14. All monthly credit card statements and other correspondence associated with the credit card accounts will be sent to the Tipp City Public Library. Payment of the monthly statements must be made in a timely fashion so that finance charges and late payment fees are not incurred.
15. If the Compliance Officer is authorized to use a credit card, on a monthly basis, the Fiscal Officer (or the Fiscal Officer's designee, who may not be the Compliance Officer) will review the credit card statements and will sign an attestation to such review.

Credit Card Use Policy

A credit card account has been established to meet the needs of your department for incidental purchases. Upon receipt of proper documentation and itemized receipt, credit card expenditures will be paid through the Fiscal Officer's office.

A credit card does not replace requisitions and purchase orders.

Conditions of Use. Expenses may be incurred with the credit card only if all of the following conditions are met:

1. Expenditures must be within the guidelines of the particular activity of your department and budget. The expenditure may only be made after the approval of any required requisition and purchase order. The credit card is not to be used for any personal expenses.

2. Expenditures to be paid must be less than your credit limit of \$_____. There are no exceptions.

3. Proper documentation to support the expenditure must be sent to the Fiscal Officer prior to receipt of the monthly statement.

a. Proper documentation is to include:

i. Itemized paid receipt indicating the amount paid, the vendor, and an itemized description of the purchase.

ii. In the case of books, subscriptions or similar types of orders, a copy of the order form or document, and the packing slip or other receiving document.

iii. A hardcopy print-out for any items ordered online.

b. Examples of documentation not allowed:

i. Non-itemized cash register receipts.

ii. Handwritten requests for reimbursement without receipts or other verification.

4. The Library is exempt from sales tax, and all reasonable efforts should be made to ensure that sales tax is not charged by vendors in connection with purchases made via credit card. A tax exemption certificate is available in the Fiscal Officer's office. In some cases, if you merely mention to the vendor that the purchase is tax exempt, no sales tax will be charged.

Safekeeping.

You are responsible for the safekeeping of the credit card. You shall not permit anyone else to use the credit card or disclose to anyone (other than the vendor/merchant in connection with a purchase) the card account number, CVV, or other pertinent account information.

Unauthorized Use.

If you become aware of any unauthorized or fraudulent use of the credit card, or if the credit card is lost or stolen, you must immediately report same to the Fiscal Officer and Compliance Officer.

No Right to Credit Card.

The credit card is issued to you on a temporary basis, and remains the sole property of the financial institution from which it was issued. The right to use the credit card may be revoked at any time without notice by the issuing financial institution or by the Library's Fiscal Officer or Director. You must immediately return the credit card to the Library upon termination of your employment with the Library or in the event of a change in your position/title.

Personal Responsibility.

You are personally responsible for any unauthorized credit card expenditures and expenditures made in violation of applicable Library policy.

I have read and fully understand and accept my personal responsibilities and liabilities in regard to the credit card issued to me, including the terms set out in the Library's Credit Card Policy.

I further acknowledge that any misuse of the credit card may result in disciplinary action up to and including termination of employment.

Cardholder Signature: _____ Date: _____

Witness: _____ Date: _____