

ORDINANCE NO. 2017-16

**AN ORDINANCE APPROVING THE VILLAGE OF PECATONICA
CREDIT CARD POLICY**

WHEREAS, Section 5/8-1-3.1 of the Illinois Municipal Code (65 ILCS 5/8-1-3.1) authorizes the corporate authorities to borrow money from any bank or other financial institution provided such money is repaid in 10 years from the time the money is borrowed; and

WHEREAS, Section 5/8-1-3.1 permits a municipality to execute a promissory note or similar debt instrument evidencing the indebtedness incurred by the borrowing; and

WHEREAS, procuring items by use of a credit card is a form of borrowing which is permitted under the Illinois Municipal Code; and

WHEREAS, the Village of Pecatonica has a credit card and the corporate authorities have deemed it in the best interests of the Village, its employees and elected and appointed officials to have a Credit Card Policy in force (i) in furtherance of the continued safekeeping of public funds and (ii) to make sure those village officials and employees act within the village's Purchasing Policy when procuring goods by credit on behalf of the village; and

WHEREAS, the Village authorities have adopted a written Credit Card Policy, a true and accurate copy of which is attached hereto as Exhibit "A" and incorporated herein by reference, for the Village of Pecatonica which shall remain in full force and effect unless and until duly amended or repealed.

NOW, THEREFORE, BE IT ORDAINED by the Village President and the Board of Trustees of the Village of Pecatonica, Illinois:

Section 1. That the Credit Card Policy, a true and accurate copy of which is attached hereto as Exhibit "A" and is incorporated herein by reference, is hereby approved and adopted and effective immediately and shall serve as the Credit Card Policy of the Village of Pecatonica.

Section 2. This ordinance shall be in full force and effect after its passage, approval and publication in pamphlet form as provided by law.

ADOPTED this _____ day of _____, 2017 by the Board of Trustees of the Village of Pecatonica.

APPROVED this _____ day of _____, 2017 by the Village President of the Village of Pecatonica.

AYES: _____

NAYS: _____

ABSTAIN/ABSENT: _____

APPROVED:

WILLIAM SMULL, VILLAGE PRESIDENT
Village of Pecatonica, Illinois

ATTEST:

GWENN SHIRLEY, VILLAGE CLERK
Village of Pecatonica, Illinois

EXHIBIT A
Village of Pecatonica
**Credit Card Policies and
Procedures**

1. Purpose:

This policy has been adopted to establish the procedures to be used with the Village of Pecatonica's credit card program. This policy intends to accomplish the following:

- Establish appropriate internal controls over the credit card process to ensure cards are only used for authorized purposes.
- Ensure the Village bears no legal liability from inappropriate use of credit cards.
- To provide a convenient source of funding for employees and officials who must procure for the Village.
- Verify payments for purchases are made on a timely basis to minimize finance charges.

2. General Information:

- The credit card is a tool for designated Village employees and officials to use when making low dollar purchases for official business needs.
- All purchases on Village issued credit cards must conform to the guidelines and restrictions set forth in the Village Purchasing Policy adopted by the Village Board on Sept. 15, 2015.
 1. Department Heads, (Street, Water, Sewer, Police), and employees with the department heads approval, are authorized up to \$500 per purchase.
 2. Committee Heads/Liaisons are authorized up to \$1,000.00 per purchase.
 3. Village Clerk is authorized up to (TDB) per purchase.
 4. Village President is authorized up to \$2,000.00 per purchase.
 5. All purchases over \$2,000.00 are subject to prior Village Board approval
- Cards will be issued to individuals approved by the Village Board. Credit lines on individual cards to be determined by Village Board.

- Personal or unauthorized use of credit cards by any employee is subject to the discipline policy set forth in the Employee Handbook adopted by the Village Board on Jan. 22, 2014. In the case of an elected official personal or unauthorized use of credit cards they would be subject to censure and/or other penalties provided by law, and in both cases would be required to reimburse the Village of such personal or unauthorized use.
- Each person with access to a Village credit card, employee or elected or appointed official, is required to complete and sign a card user agreement prior to usage of a Village credit card.
- Receipts must be presented to the Village Clerk within 2 days of purchase. Card uses are subject to review before payment.
- The cards may not be used to access cash (ATM).

3. Responsibilities of Card Users:

- The card user is responsible for the security of the card. All precautions must be used to maintain confidentiality of all information relating to the card, such as the account number and expiration date.
- The Village is a tax-exempt entity. Each cardholder is responsible for obtaining a credit if sales tax was charged.
- Card holders must notify the Village Clerk immediately if a card is lost or stolen.
- Receipts must be obtained on all purchases, identifying the date and itemized list of all purchases.

4. Returns, Credits or Disputed Items:

- Any item purchased with a card must be returned for credit. Do not accept a refund in cash. Obtain a receipt for the credit like any other purchased documentation.
- The card user is responsible for following up with the merchant on any erroneous charges, disputed items or returns as soon as possible. Disputed billings can result from failure to receive the goods charged, defective merchandise, incorrect amounts, duplicate charges or credit not processed.
- If you have a problem with a purchased item from the use of the card, you should first try to reach a resolution with the supplier that provided the item.

Village of Pecatonica
Credit Card Policy

Card User Agreement for Authorized Use of Credit Card

I, _____, have read and so understand the Village of Pecatonica's Credit Card Policy and Purchasing Policy.

I further agree to abide by the terms and conditions in those policies and understand that my use of the card is subject to revocation if I fail to act in accordance with those policies.

I also understand that if I engage in fraudulent misuse of the Village's Credit Card Policy and/or the Village's Purchasing Policy, I will be held responsible for repayment of these funds and it may result in employment termination or censure and other legal actions.

Printed Name: _____

Signature: _____

Date: _____