

FILED

FEB 05 2016

CITY CLERK

**GENERAL ORDINANCE NO. 1, 2016**

**AN ORDINANCE AUTHORIZING CITY CREDIT CARD ACCOUNTS AND ESTABLISHING PROCEDURES FOR THE PROCUREMENT AND USE OF CITY CREDIT CARDS.**

WHEREAS, the City of Terre Haute, Indiana, has the authority to adopt an ordinance authorizing and regulating the procurement and use of credit cards by City officials and employees; and

WHEREAS, the Common Council finds that the use of credit cards by City officials and employees is necessary for the efficient performance of City business; and

WHEREAS, The Common Council seeks to clearly define a procedure through which City officials may procure and use credit cards; and

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF TERRE HAUTE, INDIANA:

SECTION 1. *Terre Haute City Code* Chapter 2, Article 9, Sections 2-110-1 through 2-110-3 are hereby created with the text as follows:

**2-110-1 Procedure for existing credit card accounts.**

a. The department head of any department that currently holds a credit card account, for which the City Controller is not listed as the account holder at the time this Section is enacted, shall surrender all credit cards to the City Controller. Any outstanding balances of the credit card account shall be paid, in full, and the account shall be closed by the City Controller within one hundred and twenty (120) days of the enactment of this Section. This Subsection shall not apply to credit card accounts that met the requirements set forth in Subsection (b).

b. To retain any existing credit card accounts at the time this Section is enacted, the credit card account must list the City Controller as the account holder and:

1. The department head of any department which currently holds the benefit of the credit card account shall submit a document stating the reason for the current account along with the current contract provisions for the credit card account and the most current credit card account statement to the appropriate board which holds the power to execute contracts for said department;
2. The City Controller shall include a statement of affirmation or objection, with signature, to accompany the document stating the reason for the current account and the most current credit card account statement; and

3. The appropriate board shall hold a vote to accept the continued use of the credit card account as well as acquiescing to the terms to which the current card holder is currently bound. In the event the appropriate board does not affirm the continued use of the credit card account, any outstanding balances of the credit card account shall be immediately paid, in full, and closed by the City Controller.

**2-110-2 Procedure for procurement of a new credit card account.**

- a. Any department head of the City seeking the use of a credit card account shall submit a written request stating the proposed use of a credit card account and the requested line of credit to the City Controller;
- b. The City Controller shall submit a statement of affirmation or objection, with signature, and reason for request to the appropriate board which holds the power to execute contracts for said department;
- c. The appropriate board shall hold a vote to accept or deny the submission of a credit card account; however, any request for a line of credit to exceed Fifty Thousand Dollars (\$50,000) must first be approved by Resolution of the Common Council; and
- d. If the appropriate board approves a new credit card account, the City Controller shall submit the credit card account application and be listed as the sole account holder; however, the department head requesting the credit card account may be listed as an authorized user.

**2-110-3 Procedures for Credit Card Usage.**

- a. The credit cards issued for each credit card account shall be held solely for the use of the department head to which it has been issued. Upon request by an employee acting under the supervision of his or her department head, the credit card may be signed out to the employee with approval by his or her department head. A record showing the date of issuance and the date of return and the purpose of use, will be maintained by the department with a copy sent to the City Controller's Office. The department head which holds a valid credit card account shall keep detailed receipts and notes of transactions, available for inspection and production at any reasonable time.
- b. All credit card billing statements shall be sent by the issuer to the City Controller. The department head is responsible for prompt distribution of any and all invoices, receipts, etc. that provide a detailed and full account of all activity on the credit card account in any billing period. Any employee of the City who fails to provide a receipt for purchases made on the credit card account shall be personally liable for the purchase(s).
- c. All credit card accounts and billing statements for those accounts are subject to the Freedom of Information Act.

d. The City Controller is charged with prompt payment of credit card account statements from the appropriate budget line item pursuant to the claims procedures of the City. The City Controller shall pay the charge cards promptly so that no interest, carrying charges or penalties will be incurred due to late payments. Any employee of the City who causes interest or carrying charges to be added to the credit card account by a failure to timely provide the required information to the City Controller shall be personally liable for the interest or carrying charge.

e. Any benefit derived from the use of a credit card account including, but not limited to, what is commonly referred to as a "percentage cash back" shall be applied to the appropriate line item budget from which any statements have or will be paid to satisfy any and all credit card account statements.

f. Any department head wishing to cancel an active credit card account held for the benefit of his or her department must submit a document stating the reason he or she is seeking the cancelation to the board which approved the account through the procedures outlined in *Terre Haute City Code 2-110-1* or *2-110-2* and said board shall vote on the proposal submitted by the department head. Additionally, the Controller may request the cancelation of any active credit card account, held by any department of the City, by submitting a document stating the reason he or she is seeking the cancelation to the board which approved the account through the procedures outlined in *Terre Haute City Code 2-110-1* or *2-110-2* and said board shall vote on the proposal submitted by the Controller.

g. No credit card issued or retained through the procedures outlined in this Section/Chapter shall be used by any person for private/personal purchases.

h. Any violations of this section/chapter will result in disciplinary action, up to and including discharge pursuant to City of Terre Haute's personnel policy.

Section 2. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section 3. If any section, clause, provision, or portion of this ordinance is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of this ordinance shall not be affected thereby.

Section 4. This ordinance shall be in full force and effect from and after its passage by the Common Council of Terre Haute, Indiana and approval of the Mayor and publication as required by law.

Introduced by:  \_\_\_\_\_ Karrum Nasser , Councilman

Passed in open Council this 10<sup>th</sup> day of March, 2016.

Todd Nation, Todd Nation, President

ATTEST: Charles P. Hanley Charles P. Hanley, City Clerk

Presented by me to the Mayor this 11<sup>th</sup> day of March, 2016.

Charles P. Hanley Charles P. Hanley, City Clerk

Approved by me, the Mayor, this 11<sup>th</sup> day of MARCH, 2016.

Duke A. Bennett Duke A. Bennett, Mayor

ATTEST: Charles P. Hanley Charles P. Hanley, City Clerk