

**SPENCER COUNTY, INDIANA
ORDINANCE NUMBER 2025-02
ADDITION OF SECTION 31.12**

WHEREAS, Spencer County has heretofore adopted and approved its "Code of Ordinances," hereinafter referred to as "Spencer County Code" or "Code" pursuant to the provisions of Ind. Code § 36-1-5-3; and

WHEREAS, some Departments of Spencer County, Indiana desire to have authorization for their office holders, department heads, and employees under the supervision of the office holder or department head to use County issued credit cards for certain purchases;

WHEREAS, the Indiana State Board of Accounts have established guidelines for a government unit regarding the use of credit cards; and

WHEREAS, the Spencer County Commissioners desire to standardize the use of credit cards by Spencer County employees in a manner consistent with the guidelines of the Indiana State Board of Accounts.

NOW, THEREFORE, be it established, by Spencer County, Indiana, as follows:

Section 1. Addition of Section 31.12. Section 31.12 (Credit Card Policy for County Employees and Public Officials), of the Spencer County Code shall be added as follows:

§ 31.12 CREDIT CARD POLICY FOR COUNTY EMPLOYEES AND PUBLIC OFFICIALS.

(A) Credit Card Use. The Board of Commissioners authorize the use of credit cards by County office holders, department heads, and employees under the supervision of office holders and department heads in accordance with County guidelines, this Ordinance, and applicable law.

(B) Travel Expenses. The primary purpose for the use of credit cards is for expenses incurred while traveling, such as hotels, meals, and other travel as permitted by the Spencer County Travel Policy codified at § 31.02.

(C) Services. Services shall only be charged to a credit card if no practical alternative exists for immediate payment, and the delay of payment would result in financial penalties or a disruption of essential County operations. Additionally, in cases where "emergency circumstances" (as defined in Ind. Code § 5-22-10-4) exist, such as an imminent threat to public health, welfare, or safety, credit cards may be used.

(D) Goods. Being able to track payments for goods is one of the primary objectives of the Accounts Payable process and financial system. When a credit card is used, trackability for purchases through vendors is lost. Every effort shall be made to make payment directly through a vendor by setting up a sales tax-exempt account with that vendor and obtaining invoices rather than by paying with a credit card. For your convenience and upon request, the County Auditor will provide names of vendors already being used by County departments for similar purchases. Purchases of goods using a credit card should be used rarely and only as a last resort method of payment.

(E) Sales Tax Exemption. Be sure to remind the vendor of the County's tax-exempt status prior to making a purchase. Promptly after a purchase, the sales receipt should be reviewed to confirm no sales tax was charged. If sales tax was charged, the item should be immediately returned so a re-purchase can be made without sales tax. A Sales Tax Exemption Certificate can be obtained in the County Auditor's Office. Any sales taxes charged other than for hotels and meals when traveling will be the responsibility of the Department Head or employee, and payment by personal check to the Bank will be due.

(F) Online Purchases. Purchasing online should be done with utmost care to protect credit card data and should follow all County purchasing guidelines, use agreements, and policies.

(G) Personal Expenses. Credit cards shall be used for approved business expenses only. Personal expenses shall not be purchased with credit cards. If personal expenses are charged to County credit cards, the office holder, department head, or employee will be responsible for paying for those charges by personal check to the County Auditor. Personal expenses charged to County credit cards will be investigated. If a violation is found, the responsible office holder, department head, or employee shall reimburse the County within ten (10) business days. Failure to do so shall result in revocation of the credit card and may lead to termination of employment and/or legal action under State or Federal law.

(H) Cash Advances. Credit cards shall not be used to obtain cash advances.

(I) Automatic Recurring Charges. No arrangements shall be made to have automatic, recurring charges billed to County credit cards unless there are "emergency circumstances" (as defined in Ind. Code § 5-22-10-4). Permission must be granted by the Commissioners for any automatic recurring charges.

(J) Accounting System. Each County office holder or department head shall be responsible for maintaining an accounting system or log which includes the names of each individual person (regardless of status as office holder, department head, or employee) requesting usage of credit cards, their position of employment, the estimated amounts to be charged, the county fund and account number to be charged, the date the card is

returned, and any other details required by the County Auditor. Such log shall be updated monthly and submitted to the County Auditor on a quarterly basis.

(K) Department Head Responsibility. The office holder or department head that has been authorized to use a County credit card is responsible to provide sufficient accounting information to the County Auditor so that expenditures from appropriations can be tracked to provide timely and accurate accounting information for monitoring the accounting system. The office holder or department head is also responsible for assuring each credit card is kept in the department under lock and key when not in use.

(L) Supporting Documentation. Sufficient supporting documentation shall be available to approve claims for payment. This includes original itemized receipts, invoices, or other verifiable proof of purchase. Digital copies of receipts shall be accepted, provided they are clear and legible.

(M) Segregation of Duties. The person in the office or department who reconciles receipts to charges on the credit card statement shall not have the ability to control and maintain the credit card account.

(N) Credit Limit. The Board of Commissioners shall make the determination of credit limit on a case-by-case basis.

(O) Approval and Issuance. Only upon application to and approval by the Board Commissioners shall the County Auditor be authorized to issue a County credit card to an office holder or department head.

(P) Cards Issued. Unless a specific operational need is demonstrated and approved by the Board of Commissioners, only one (1) credit card will be issued per office or department. Requests for additional cards must include written justification and be reviewed on a case-by-case basis.

(Q) Record Keeping. The County Auditor shall keep record of all County credit cards issued to an office or department.

(R) Late Payment Fees. Any late payment fees, interest, or penalties resulting from improper charges, late filing, or failure to submit supporting documentation in a timely manner shall be the financial responsibility of the office holder, department head, or employee who used the credit card. However, if a late fee is incurred due to circumstances beyond the department head's control—such as delays caused by mail delivery or processing by the financial institution—it shall be reviewed by the County Auditor and Board of Commissioners to determine if the County will cover the fee. A department head who submits documentation on time, but experiences processing delays outside of their control, shall not be held personally responsible.

(S) Annual Credit Card Fee. If authorized by the County Auditor, an annual credit card fee for the availability of the card may be paid.

(T) Credit Card Security. The office holder or department head is responsible for assuring each credit card is kept in the department under lock and key when not in use. When the credit card is in use, the credit card holder is responsible for the security and safe storage of the credit card. The cardholder must immediately report a lost, stolen, or potentially compromised credit card in writing to their supervisor and the County Auditor. The County Auditor shall document the report and notify the financial institution to prevent unauthorized charges. Any unauthorized or suspicious transactions must be disputed within five (5) business days.

(U) Revocation of Credit Card. The Board Commissioners' approval of the use of a credit card should be considered a convenience. If the Board of Commissioners determines that a credit card is unnecessary or has been abused by an office holder, department head, or employee, the Board of Commissioners may revoke the use of the credit.

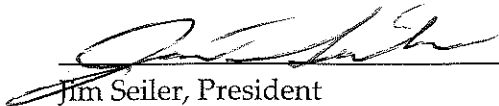
(V) Return of Credit Card. All issued credit cards are the property of the County and upon change in employment status (leave the office or department, separate from the County, etc.), or if an office holder or department head deems a credit card no longer necessary for their employee to have, the credit card shall immediately be returned to his/her supervisor who shall then return the to the Spencer County Auditor. In the case of an office holder or a department head leaving employment, the card shall be returned to the County Auditor.

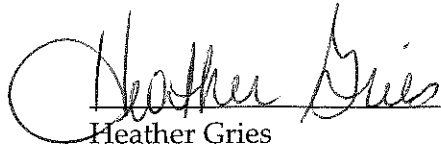
Section 2. Severability Provisions. If any section, provision, or clause of this Ordinance is held to be invalid or unenforceable, such determination shall not affect the validity or enforceability of the remaining provisions, which shall remain in full force and effect.

Section 3. Effective Date. This ordinance shall be in full force and effect, following its passage and adoption by the Spencer County Commissioners.

Passed and adopted by the Spencer County, Indiana, this 1st day of April, 2025.

THE BOARD OF COMMISSIONERS OF
SPENCER COUNTY, INDIANA


Jim Seiler, President


Heather Gries


Malcom "Mac" Webb

ATTEST:

I, the undersigned Auditor of Spencer County, Indiana, do hereby certify that above and foregoing is a full, true, and complete copy of Ordinance No. 2025-02 passed by the Board of Commissioners of Spencer County, Indiana, on the 1st day of April, 2025, by a vote of 3 AYES and 0 NAYS and now remains on file and on record in my office.


Melissa Bunner, Auditor