ORDINANCE NO. 2022-15

AN ORDINANCE OF THE VILLAGE OF CLEARWATER, NEBRASKA TO ESTABLISH A PURCHASING CARD POLICY; TO REPEAL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; TO PROVIDE WHEN THIS ORDINANCE SHALL BE IN FULL FORCE AND EFFECT; AND TO PROVIDE FOR THE PUBLICATION OF THIS ORDINANCE IN PAMPHLET FORM.

BE IT ORDAINED BY THE CHAIRPERSON AND BOARD OF TRUSTEES OF THE VILLAGE OF CLEARWATER, NEBRASKA:

SECTION 1. The Board of Trustees of the Village of Clearwater hereby adopts the following purchasing card policy set forth in the sections of this Ordinance.

SECTION 2. The purpose of this policy is to establish procedures for use of the Village of Clearwater ("Village") Purchasing Card ("P-Card") to enable P-Card holders to purchase goods and services quickly and efficiently.

SECTION 3. This policy is applicable to all Village employees who utilize P-Cards or process payments for P-Cards.

SECTION 4. All purchases made with a P-Card will be on behalf of the Village. Purchasing on behalf of the Village requires special sensitivity on the part of the purchaser to obtain fair and reasonable prices and spread purchases among many suppliers. Individual employees authorized to use a P-Card are hereinafter referred to as "Cardholder". The Village Clerk shall act as the Village's P-Card Coordinator. Village P-Cards are intended to be the only source of credit card payment for goods and services. Village employees shall not use any other credit cards, set up charge accounts, or pay with personal credit cards without written approval of the Board of Trustees.

SECTION 5. The P-Card Coordinator may suspend, deactivate, or revoke a P-Card at any time it is deemed in the best interest of the Village, including during an investigation of possible misuse. If misuse of a P-Card involves personal transactions, the Cardholder must repay to the Village all personal amounts, including any applicable state, county, or city taxes.

SECTION 6. Before a Cardholder can receive a P-Card and be authorized to make purchases on behalf of the Village, the Cardholder will be required to:

a) read and understand this policy; and
b) sign an agreement that the employee understands and agrees to follow this policy.

SECTION 7. All purchases must be made by the Cardholder, or the individuals who are approved by the Board of Trustees to use the card. No member of Cardholder's family, other employees, supervisor, or anyone else may use the card. The P-Card must not be used for personal purchases. Cardholders must protect the security of the P-Card and the P-Card number. Cardholders must not exceed the established transaction limit of $1,500.00 per month for all P-Cards held by the Village. Cardholders must not split purchases to circumvent the transaction limit or to circumvent any applicable competitive

bidding thresholds. Cardholders must not accept any gift or gratuity from any source when it is offered or appears to be offered to influence decisions regarding P-Card purchases. Any and all rebates or special offers offered to the Cardholder must be received by the Village. If a Cardholder has questions about the limitations on P-Card usage, the Cardholder should contact the P-Card Coordinator before proceeding with the transaction. Cash advances are prohibited P-Card transactions.

SECTION 8. The P-Card may be used to make transactions over-the-counter, by mail, via telephone, or online. The Cardholder is required to account for all transactions made using the P-Card. This includes maintaining original, detailed receipts (printed confirmations of online transactions) and reconciliation of all transactions. Such original documents should be filed with the P-Card Coordinator. Original documents shall be stored according to Village records and retention schedules. If a contract is currently not in place for materials or services purchased, Cardholders must use reasonable efforts to obtain three quotations, either verbal or written, and shall use their best judgement in determining an appropriate vendor based on the quotes acquired. If a product will be shipped or delivered, the Cardholder shall instruct the vendor to enclose or mail a copy of the receipt/invoice with each shipment.

SECTION 9. The P-Card may be used to pay for business-related registration fees including lodging and airline/travel expenses. Conference and seminar registration fees may be billed on a P-Card. The name of person, purpose of trip, travel dates, and destination must be included in the supporting documentation. Meals associated with travel may not be charged on a P-Card if a per diem rate has been established by the Board of Trustees.

SECTION 10. A Cardholder must maintain a purchase record, with detailed documentation to substantiate purchases. Documentation should include the name of the supplier/vendor, the date, the items description and pricing, applicable taxes, and ancillary charges. The following are examples of supporting documentation:

a) Cash or sales receipts;
b) Invoices;
c) E-mailed order confirmations;
d) Online screen prints of purchases;
e) Subscription forms or dues statements;
f) Conference registration forms; and
g) Airline or lodging confirmation documents and invoices/statements.

SECTION 11. Any subscription, maintenance agreement, or other type of service which includes a contract, agreement, or set of terms and conditions associated with the purchase must be reviewed and approved by the Board of Trustees prior to paying for the services with a P-Card.

SECTION 12. It is the responsibility of the P-Card Coordinator to verify the correctness of bank statements against the purchase record and receipts.

SECTION 13. The P-Card Coordinator will conduct random audits of P-Card use. The primary purpose of these audits is to ensure that the P-Card program procedures are being followed and that:

a) Purchase volume appears reasonable;
b) The card is being used for appropriate transactions; and
c) Information is being submitted properly and paper copies, once reconciled, are forwarded for records retention.

SECTION 14. Any records generated by a P-Card purchase may be considered a public record pursuant to applicable Nebraska statutes and may be subject to disclosure during an investigation or litigation.

SECTION 15. A Cardholder must notify the P-Card Coordinator immediately when it is discovered that a card is lost or stolen. The P-Card Coordinator shall notify the bank of the incident and begin the process of reissuing a new card, if necessary.

SECTION 16. Exceptions to the P-Card restrictions may be granted, in advance of the purchase, upon written request from the Cardholder to the Board of Trustees. In emergency circumstances, (i.e., lost card, malfunction, etc.), employees who are not able to use the P-Card must notify the P-Card Coordinator of the situation. The P-Card Coordinator will determine if an alternate card or some other option is available to eliminate the need for use of a personal credit card. If the P-Card Coordinator cannot develop a viable option or if the P-Card Coordinator cannot be reached, the employee may use their personal card. If a situation occurs after business hours, the employee may use their personal card, but must call the P-Card Coordinator as soon as possible the next business day to inform them of the issue. If the employee had to use their personal card for the reasons described above, the employee may submit claims for reimbursement to the Board of Trustees for review in the following manner:

a) Within ten (10) working days after the transaction, the employee shall complete, and submit to the P-Card Coordinator, an itemized claim, attaching all necessary supporting receipts, and other documentation. The employee must also indicate on the reimbursement claim why a P-Card was not utilized.
b) The P-Card Coordinator shall examine the employee's claim for proper accounting and documentation. They shall ensure that all necessary supporting documentation and/or statements of explanation are attached before signing the claim and submitting the same to the Board of Trustees for its consideration.

SECTION 17. As a rule, the Village is exempt from paying state and local sales tax. In the event a Vendor charges sales tax, the Cardholder and P-Card Coordinator shall work with the Vendor to remove sales tax from billing, if possible.

SECTION 18. That all ordinances or parts of ordinances in conflict be and the same hereby are repealed.

SECTION 19. That three-fourths of the Board of Trustees voted to suspend the requirement that this ordinance be read by title on three different days.

SECTION 20. That this ordinance shall be effective from and after its passage, approval and publication as provided by law.

SECTION 21. That this ordinance shall be published in pamphlet form and available for public inspection during normal village office business hours.

PASSED AND APPROVED THIS 12 DAY OF October, 2022.

VILLAGE OF CLEARWATER, NEBRASKA

By: _____
Chairperson

ATTEST:

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Angie Hupp, Village Clerk

CERTIFICATION

I, Angie Hupp, clerk of the Village of Clearwater, Nebraska, hereby certify that the foregoing is a true and complete copy of Ordinance No. 2022-15 of said village, passed by the Village Board this 12 day of October, 2022.

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Angie Hupp, Village Clerk

(S E A L)