



## Ohio Revised Code

### Section 301.29 Use of procurement cards.

Effective: February 12, 2004

Legislation: Senate Bill 82 - 125th General Assembly

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(A) As used in this section:

(1) "Officer" includes an individual who also is an appointing authority.

(2) "Procurement card" means a financial transaction device as defined in section 301.28 of the Revised Code and as authorized under this section, but excludes any credit card authorized under section 301.27 of the Revised Code.

(B) A procurement card held by a board of county commissioners or the office of any other county appointing authority shall be used only to pay work-related expenses. No late charges or finance charges shall be allowed as an allowable expense unless authorized by the board of county commissioners.

(C)(1) In any county that chooses to use procurement cards, the board of county commissioners shall, by resolution, adopt a policy with the advice of the county auditor, for the county's use of those cards. The resolution shall include provisions that limit the use of a procurement card to payment for one or more specific work-related or specific classes of work-related expenses, and limit procurement card transactions to a specific number of transactions per day, month, quarter, or other specified period as authorized in division (F)(2) of this section, by supplier or work-related expense. In addition, the resolution shall limit a procurement card to daily and monthly spending limits.

The resolution also shall contain a list of administrative controls that the board determines, after consulting with the county auditor, will be sufficient for use of a procurement card. Those administrative controls shall include at a minimum the following:

(a) An aggregate amount that may be incurred through use of each card within a day, week, or month;



(b) Classes of permissible goods and services that may be purchased with a procurement card;

(c) In case a procurement card is misused, a procedure for revocation of the card.

(2) The county auditor shall develop internal accounting controls in consultation with the auditor of state for the implementation of this section.

(3) If a board of county commissioners adopts a policy under division (C)(1) of this section, it shall advertise a request for proposals from issuers of procurement cards in a newspaper of general circulation within the county at least once a week for two consecutive weeks. The advertisement shall specify the purpose of the request, the type of procurement card or cards sought, and the date by which proposals must be received. That date shall not be less than ten days after the last day of the second week in which the request is advertised.

The board also may post the advertisement by electronic means, including posting the advertisement on the county's internet site on the world wide web. If the advertisement is posted on the county web site, the board may eliminate the second newspaper publication otherwise required by this division if the first notice published in a newspaper of general circulation meets all of the following:

(a) It is published at least two weeks before the date required for the receipt of the proposals.

(b) It includes a statement that the notice is posted on the county's internet site on the world wide web.

(c) It includes the county's internet address on the world wide web.

(d) It provides instruction for accessing the advertisement on the county web site.

The board shall determine upon the advice of the county auditor and county treasurer whether to contract with any one or more issuers that submit a timely proposal. Before entering into a contract, the board shall adopt a resolution stating the contract's intent and guidelines consistent with divisions (C)(1) and (2) of this section for the use of each procurement card.



(D) A county appointing authority may apply to the board of county commissioners for authorization to have an officer or employee of the appointing authority use a procurement card held by that appointing authority. The authorization request shall state whether the card is to be issued only in the name of the office of the appointing authority or whether the issued card also shall include the name of a specified officer or employee.

(E) The debt incurred as a result of the use of a procurement card under this section shall be paid from moneys appropriated to specific appropriation line items of the appointing authority.

(F)(1) Except as otherwise provided in division (F)(2) of this section, every officer or employee authorized to use a procurement card held by the board or appointing authority shall submit to the board by the first day of each month an estimate of the officer's or employee's work-related expenses for that month, unless the board authorizes, by resolution, the officer or employee to submit to the board such an estimate for a period longer than one month. The board may revise the estimate and determine the amount it approves, if any, not to exceed the estimated amount. The board shall certify the amount of its determination to the county auditor along with the specific appropriation line items from which the expenditures are to be made. After receiving certification pursuant to division (D) of section 5705.41 of the Revised Code that the specific appropriation line item for which the procurement card is approved for use is free from previous and then-outstanding obligations or certifications, the board shall authorize the officer or employee to incur debt for the expenses against the county's credit up to the authorized amount.

(2) In lieu of following the procedure set forth in division (F)(1) of this section, a board of county commissioners may adopt a resolution authorizing an officer or employee of an appointing authority to use a county procurement card to pay for specific classes of work-related expenses, or to use a specific procurement card for any work-related expenses, without submitting an estimate of those expenses to the board as required by division (F)(1) of this section. Prior to adopting the resolution, the board shall notify the county auditor. The resolution shall specify whether the officer's or employee's exemption extends to the use of a specific procurement card, which card shall be identified by its number, or to one or more specific work-related uses. Before any procurement card issued for specific uses may be used to make purchases for uses other than those specific uses listed in the resolution, the procedures outlined in division (F)(1) of this section must be followed or the use shall be considered an unauthorized use. Use of any procurement card under division (F)(2) of



this section shall be limited to the amount appropriated and encumbered in a specific appropriation line item for the permitted use or uses designated in the authorizing resolution, or, in the case of a resolution that authorizes use of a specific procurement card, for any work-related expense, but only to the extent the moneys in those specific appropriation line items are not otherwise encumbered.

(3) A procurement card shall not be used in any manner that circumvents the competitive bidding requirements of section 307.86 of the Revised Code.

(G)(1) Any time a county procurement card approved for use for an authorized amount under division (F)(1) of this section is used for more than that authorized amount, the appointing authority may request the board of county commissioners to authorize after the fact the expenditure of any amount charged beyond the originally authorized amount if, upon the board's request, the county auditor certifies that sum of money is in the treasury or in the process of collection to the credit of the appropriate appropriation line item for which the procurement card was used, and is free from previous and then-outstanding obligations or certifications. If the card is used for more than the amount originally authorized and if for any reason that amount is not authorized after the fact, the county treasury shall be reimbursed for any amount spent beyond the originally authorized amount in the following manner:

(a) If the card is issued in the name of a specific officer or employee, the officer or employee is liable in person and upon any official bond the officer or employee has given to the county to reimburse the county treasury for the amount charged to the county beyond the originally authorized amount.

(b) If the card is issued to the office of the appointing authority, the appointing authority is liable in person and upon any official bond the appointing authority has given to the county for the amount charged to the county beyond the originally authorized amount.

(2) No user of a county procurement card authorized for use under division (F)(2) of this section shall use the card for any expenditure that is more than the amount appropriated under that division. If at any time a county procurement card authorized for use under division (F)(2) of this section is used for more than the amount appropriated under that division, the appointing authority may request the board of county commissioners to issue a supplemental appropriation or make a transfer to the specific appropriation line items as permitted in section 5705.40 of the Revised Code, to cover the



amount charged beyond the originally appropriated amount. If the card is used for more than the amount originally appropriated and if for any reason that amount is not appropriated or transferred as permitted by this division, the county treasury shall be reimbursed for any amount spent beyond the originally appropriated amount in the following manner:

(a) If the card is issued in the name of a specific officer or employee, the officer or employee is liable in person and upon any official bond the officer or employee has given to the county for reimbursing the county treasury for any amount charged on the card beyond the originally appropriated amount.

(b) If the card is issued in the name of the office of the appointing authority, the appointing authority is liable in person and upon any official bond the appointing authority has given to the county for reimbursement for any amount charged on the card beyond the originally appropriated amount.

(3) Whenever any officer or employee who is authorized to use a procurement card held by the board or the office of any other county appointing authority suspects the loss, theft, or possibility of unauthorized or unlawful use of the card, the officer or employee shall notify the county auditor and the officer's or employee's appointing authority or the board immediately and in writing.

(4) If the county auditor determines there has been a procurement card expenditure beyond the appropriated or authorized amount as provided in division (F) of this section, or for an unlawful purpose, the auditor immediately shall notify the board of county commissioners. When the board determines, on its own or after notification from the county auditor, that the county treasury should be reimbursed for procurement card expenditures beyond the appropriated or authorized amount as provided in divisions (G)(1) and (2) of this section, it shall give written notice to the county auditor and to the officer or employee or appointing authority liable to the treasury as provided in those divisions. If, within thirty days after issuance of this written notice, the county treasury is not reimbursed for the amount shown on the written notice, the prosecuting attorney of the county shall recover that amount from the officer or employee or appointing authority who is liable under this section by civil action in any court of appropriate jurisdiction.

(H) Use of a county procurement card for any use other than those permitted under division (B) of this section is a violation of law for the purposes of section 2913.21 of the Revised Code.