Public Libraries (including schools and other political subdivisions) are required to adopt a Board policy if using credit cards [accounts]. Public Libraries have 3 months after the bill’s effective date to adopt the policy (by 2/2/19). The policy must include:

- Staff positions that are authorized to use credit cards
- Types of expenses for which the credit card can be used
- The procedure for acquiring and managing credit cards
- The procedure for submitting itemized receipts
- The procedure for issuing, reissuing and cancelling credit cards
- The maximum credit limit or limits for the cards
- The actions or omissions that qualify as “misuse” of a credit card

For purposes of the bill, the term credit card account means the following:

- Bank-issued credit card account
- Store-issued credit card account
- Financial institution-issued credit card account
- Financial depository-issued credit card account
- Affinity credit card account, or
- Any other card account allowing the holder to purchase goods or services on credit or otherwise transact with the account, and
- Any debit or gift card account related to the receipt of grant moneys

The term expressly excludes (the bill’s requirements do NOT apply to):

- Any procurement card account,
- Gasoline credit card account,
- Telephone credit card account, or
- Any other card account where merchant category codes are in place as a system of control for use of the account.

Requires the name of the library to appear on the credit cards.

The bill bans the use of debit cards.

The bill specifies that anyone knowingly misusing a credit card for expenses beyond those authorized in the Board policy is committing the crime of misuse of a credit card.

Requires the Fiscal Officer or their Designee to file a report with the Board once a year on any and all credit card rewards received by the Library.

If a library chooses to use credit card accounts (as defined by the statute), one of the following models would apply:

**Compliance Officer Model**

- If Library staff members (other than the Fiscal Officer) carry credit cards, the Board must appoint a Compliance Officer. The Compliance Officer would review the following every 6 months:
  - The number of credit cards issued
  - Number of active credit cards
  - Expiration dates of the cards
  - Credit limits of the cards
- Compliance Officer may use the credit card if authorized by the Fiscal Officer (except if the Director serves as the Compliance Officer).
• If the Compliance Officer uses the card, the Fiscal Officer or their Designee is required to monthly review the credit card statement and sign an attestation that they reviewed the statement.

• A Library Director serving as a Compliance Officer may use a credit card if authorized by the Board policy.

• Compliance Officer may not authorize others to use the credit card. Only exception is if the Library Director is serving as the Compliance Officer – they may authorize others to use the credit card.

• Compliance Officer cannot be the Fiscal Officer.

**Custody and Control Model**

• This is where the Fiscal Officer has custody of the credit cards and signs them out on an as-needed basis.

• The employee using the card is personally liable to reimburse the library if they do not provide an itemized receipt in accordance with the Board policy.