Credit Cards vs. Debit Cards

By: Jim Donelan, Executive Director

It's impossible to ignore technology. Most of us begin our days by first checking our phones for texts, emails, calls, or the weather. It's difficult to do any type of commerce without having an electronic means of payment. Whether it's a credit card or debit card, you can't even procure a hotel room or rent a car without one. Since we must have these little plastic instruments to function in our modern society, it begs the question: which one provides us the most protection, debit or credit?

The basic differences between a credit and debit card may be familiar to you, but please indulge me. When a purchase is made with a credit card, a person is not technically paying for the item until a monthly statement is received from a credit card provider, and a payment is then made to the company accordingly. This, of course, is done by the due date to avoid a late charge and reduce interest. A debit card physically looks like a credit card, and is offered through your financial institution in partnership with a major credit issuer/provider such as Visa, Discover, MasterCard, or American Express. An important difference with a debit card is that when a transaction is made, the applicable dollar amount is removed electronically (directly) from a checking account.

The good thing about a debit card is that you can use one just about anywhere, and you are not accumulating debt at high interest rates because if the funds are not present, the card will not process. The bad thing about a debit card is that if your card is stolen or compromised funds may be taken from your checking account. With a credit card if your card is stolen or compromised, no funds are actually removed from your checking account.

Unfortunately, dealing with financial transactions leads to the risk of fraud. What protections are afforded to us with either a credit or debit card? Which is better for a township? According to the Federal Reserve and Federal Trade Commission, if a debit card is lost or stolen the liability limit is $50, but it must be reported within two days. After two days the liability limit is increased to $500. Further, if you wait 60 days or more from the time money is stolen, the liability may be for the full amount. This coupled with the fact that money is actually taken from your checking account is a sobering thought.\(^1\)

Credit card users are provided much more protection than debit cards users. If a credit card is stolen the consumer’s liability caps out at $50. The Fair Credit Billing Act also provides a mechanism for consumers to dispute unauthorized charges on a credit card and the purchase of goods that are lost during shipping.\(^2\) Generally debit card providers don’t offer the same protections, plus even if one does, money has been removed from your account.

Credit cards offer townships greater protections for lost, stolen, or compromised cards. In addition, Illinois Compiled Statutes require township boards to audit each expenditure/bill prior to it being paid. If the bill is being drawn from a proper fund consistent with the adopted budget and appropriation ordinance, and there are funds available to pay the expenditure, it should be paid. The spirit of the statute is for bills to be audited prior to being paid. Since transactions paid for with credit cards afford the township board the opportunity to examine the expenditure prior to paying it, the most conservative approach would be for a township or road district to utilize a credit card over a debit card.

Citations:
1: [www.banking.about.com](http://www.banking.about.com), Your Protection against Electronic Banking Fraud and Errors, Pritchard, Justin, July 21, 2015
2: [www.investopedia.com](http://www.investopedia.com), Credit vs. Debit Cards: Which is Better? Cussen, Mark P.
WORKERS’ COMPENSATION CLAIM TYPES

By: Katie Musgrave, Claim Supervisor

Workers’ Compensation coverage applies to accidental injuries that “arise out of” and “in the course of” employment. Benefits payable under the Illinois Workers’ Compensation Act include reasonable and necessary medical care, temporary total disability or temporary partial disability (lost wages), prescriptions, etc.

When a claim is reported, the adjuster reviews the details of the claim to determine if the claim should be a medical-only claim or an indemnity claim. A medical-only claim is when the injury is less severe, the treatment is minimal, and the injured worker is able to continue working during the recovery period. An indemnity claim involves a more complicated injury, the treatment is more involved, and often the injured worker is taken off work or has work restrictions during the recovery period.

On all workers’ compensation claims the adjuster sends a medical authorization and a bill direction letter to the injured worker. The injured worker is asked to sign and return the medical authorization in the return envelope provided, and the injured worker should provide the bill direction letter to the medical facility/doctor’s office so the bills can be submitted to our office for prompt payment.

On indemnity claims we ask the township to submit 52 weeks of wages. This allows the adjuster to properly document the file and be prepared in the event the injured worker is taken off work or given work restrictions. The adjuster also communicates regularly with the injured worker and the contact at the township to provide status updates.

Our claims philosophy is to pay legitimate claims fairly and promptly. In the event an employee is injured, please call to report the claim as soon as possible. Timely reporting is key to proactively managing claims.

If you have any questions regarding workers’ compensation claims, please do not hesitate to contact any of the claim staff. See the back of the newsletter for a listing of claim staff contact information.

SUMMER REMINDERS

Building Alterations and New Construction
Will you be starting an addition or remodeling project on your township building this summer? If so, did you call TOIRMA to report your project? Maybe you put up a new building; did you call TOIRMA? If not, please call or e-mail your changes to Debbie Prentice at 217-444-1204 (dprentice@ccmsi.com) or Beth Eyrich at 217-444-1139 (beyrich@ccmsi.com).

Inventory Changes
Debbie and Beth also take care of vehicle and equipment changes. If you have traded, sold, or added vehicles or equipment, make sure you report them.

JULIE
www.illinois1call.com

Call Before You Dig
800.892.0123
1. **How young can our summer help hires be?**

TOIRMA recommends age 18. Please keep in mind the Child Labor Laws — one in particular states “no minor under 16 years of age shall be employed, permitted or allowed to work...about or in connection with power-driven machinery.” This would include riding lawnmowers. Also remember that only properly trained and qualified employees should operate township vehicles and equipment.

2. **Can we cover our contracted assessor with TOIRMA?**

If an Assessor is contracted, there are now two ways to cover the contracted Assessor.

If both entities are TOIRMA members, TOIRMA provides an Intergovernmental Agreement that can be signed by both members (not signed by the contracted Assessor). Once the agreement is signed, then the member that is contracting the services will cover the Assessor for Workers’ Compensation and General Liability.

There are times when an Intergovernmental Agreement is not agreeable to both members. In that case, TOIRMA offers an Assessor Agreement for Independent Contractors. The member and the contracted Assessor will sign the Assessor Agreement for Independent Contractors. The cost of providing coverage through this agreement is $200 annually.

Please contact our office if you are interested in discussing either of the above agreements.

3. **If the Township hires a contractor, do we need proof of insurance from that contractor?**

Yes, you need to get a certificate of coverage from all contractors that do work for the township. Specific information about the coverage that contractors should carry can be found in the TOIRMA Program Manual under the Certificate of Coverage tab, page 5 in the General Risk Management Section.

4. **Are individuals that have been ordered by the court to perform community service covered when working for a township?**

The court or organization appointing the individuals to perform community service is responsible and liable for these individuals.

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**SEEN & NOTED:**

_“STOP & EVALUATE”_

Heard in a Work Place Safety presentation by Jeff “Hoss” McCall, Safety Officer of Martin Equipment / Tri-State Construction Equipment Company at the East Central Illinois Highway Commissioners Association 35th Annual Spring Seminar this past March in Decatur.
TOIRMA MEMBER CALENDAR

Following are highlights of the upcoming TOIRMA calendar:

June
- Renewal contribution due June 1
- Declaration pages and payroll audit mailed

July
- Payroll audits due

Dividend checks were mailed to 1,364 TOIRMA members on March 15, 2016. Members participating in the TOIRMA Program for the previous five consecutive years were eligible for the dividend; this dividend included members from the June 1, 2010 - May 31, 2011 program year that are still current members. Although the dividend is not guaranteed, the TOIRMA Board of Trustees has declared a dividend for 25 consecutive years totaling $37,252,286. This year the amount returned to members totaled $2,048,870.

According to the Public Funds Deposit Act (30 ILCS 225/1) monies received by a township or road district that are not needed for immediate disbursement should be deposited within two working days. Member name will be published in the Township Perspective if dividend check is not cashed by May 31, 2016.
TOIRMAsafety training

TOIRMA recently held a Safety Meeting at the Monticello Township Highway Department. All Piatt County Highway Commissioners and their employees were invited. TOIRMA provided safety training which included chainsaw safety, personal protective equipment (PPE), and other safety measures. If your organization, township, or road district is interested in safety training, please contact Matt Knight (217-444-1387 / mknight@ccmsi.com) or Sean Richardson (217-444-1384 / sean.richardson@ccmsi.com).

Participants at the Safety Meeting.

Jim Donelan, TOIRMA Executive Director with door prize winner Ed Ray, employee of Willow Branch Township Road District / Piatt County and Matt Knight, TOIRMA Loss Control Consultant.

Jim Donelan, TOIRMA Executive Director speaking at the Safety Meeting.

Matt Knight, TOIRMA Loss Control Consultant and Sean Richardson, TOIRMA Loss Control Representative demonstrating safety measures.

TOIRMA Total Members 5/31/2016

Townships * 1379
MTAD's * 314

Welcome New Members: Bluffdale Township/Greene County (Greene County is now a 100% County) and Erienna-Nettle Creek MTAD/Grundy County
Job descriptions are an essential part of the hiring of new employees as well as managing current employees and workers' compensation claims. A job description summarizes each job so that applicants understand the position. Job descriptions are also necessary for current employees as they serve as a major basis for outlining performance expectations, job training, job evaluation and career advancement. A job description can be beneficial for a supervisor to use as a measuring tool to ensure that the employee is meeting job expectations. In addition, a job description is an important component for considering reasonable accommodation requests as required by the ADA (Americans with Disabilities Act).

A job description should describe the tasks, duties, functions and responsibilities of each position. It should clearly list the job duties and requirements of each position. Job descriptions typically include the job title, a summary of the position, essential duties and responsibilities of the position, a requirements section, and a section for other important information about the position.

### A template for creating a job description has been listed below.

<table>
<thead>
<tr>
<th>Title:</th>
<th>[insert title here]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Status:</td>
<td>[hourly or salaried]</td>
</tr>
<tr>
<td>Reports To:</td>
<td>[insert title of who this position reports to]</td>
</tr>
<tr>
<td>Location:</td>
<td>[insert township or location of this position or department]</td>
</tr>
</tbody>
</table>

**Summary:**

[This section is used to describe an overall summary of the position, usually one to two sentences describing why the position exists.]

**Essential Duties & Responsibilities:**

[List 10 to 12 key essential duties and responsibilities of the job. It not necessary to list every single duty an employee performs, but the overall essential responsibilities in a broad perspective; 8 to 10 is sufficient. Essential duties are defined as the purpose for which the job exists.]

This document represents the major duties, responsibilities, and authorities of this job, and is not intended to be a complete list of all tasks and functions. Other duties may be assigned.

**QUALIFICATIONS**

To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and/or ability required. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

[List the qualifications and attributes required to perform this role, i.e., communication skills, equipment, etc.]

**Education and/or Experience**

[List education that is required and year and type of experience required or preferred.]

**Computer Skills**

[List specific computer skills needed if any.]

**Certificates, Licenses, Registrations**

[List any licenses, certifications or registrations required, i.e., driver’s license.]

**WORKING CONDITIONS**

**Physical Demands**

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

[List appropriate physical requirements. Outline physical effort needed to perform routine labor tasks including bending, twisting, stooping, lifting, carrying, pushing, pulling, walking, standing, etc.]
TOWNSHIP OWNED FUEL STORAGE TANKS

By: Simphi Lenover, Account Manager

A member recently called as they heard a neighboring township had their underground storage tanks red tagged by an Illinois State Fire Marshal inspector since their Certificate of Financial Responsibility was not up-to-date. In the late 1980s, the U.S. Environmental Protection Agency issued new regulations on underground storage tanks (UST) which wreaked havoc on townships up until the mid-1990s. The Office of the Illinois State Fire Marshal, Division of Petroleum and Chemical Safety has guidelines for Notification of Underground Storage Tanks. The Instructions for Notification Form and the Notification Form can be found on the Illinois State Fire Marshal website at http://www.sfm.illinois.gov/Portals/0/docs/Commercial/UndergroundStorageTanks/NotificationForm.pdf.

The following is found in the Notification Form under General Information:

Notification is required by state law for all underground storage tanks (USTs) that have been in use any time since January 1, 1974 and were in ground as of September 24, 1987 (other than heating oil tanks). Federal law required notification by May 8, 1986.

The primary purpose of this notification program is to locate and evaluate USTs that store or have stored petroleum or hazardous substances. It is expected that the information you provide will be based on reasonably available records, or, in the absence of such records, your knowledge, belief or recollection.

Who must notify?
Owners of USTs are responsible for notification. Owner means: In the case of a UST system in use on November 8, 1984, or bought into use after that date, any person who owns a UST system for storage, use of dispensing of regulated substance; and in the case of any UST system in use before November 8, 1984, but no longer in use on that date, any person who owned such UST immediately before the discontinuation of its use.

What tanks are included?
A UST must contain or have contained a regulated substance; regulated substances include petroleum or hazardous substances.

Are Heating Oil Tanks included?
Although Federal Law excludes these tanks used for consumptive use on the premises where stored, the state includes them, if they are 1100 gallons or greater and were in the ground as of July 11, 1990; or they are than 110 gallons or 1100 gallons and were in the ground as of September 6, 1991. Heating oil USTs located on one and two family residences and farms are excluded.

When to notify?
Owners of USTs other than heating oil that have been in use at any time since January 1, 1974 and were in the ground as of September 24, 1987, should be registered immediately, including USTs already removed. In the case of heating oil USTs, see the dates above. Any owner of newly installed UST is required to register within 30 days after product is placed in tank. Any new owner of a UST who was previously registered, is required to file an amended notification form within 30 days after acquiring ownership. There must be an amended notification on a previously filed form within 30 days of such change.

Where to notify?
Completed notification forms should be sent to: Office of the State Fire Marshal, Division of Petroleum and Chemical Safety, 1035 Stevenson Dr., Springfield, IL 62703-4259.

Penalties: The Office of the State Fire Marshal is requesting this information pursuant to the Gasoline Storage Act, 430 ILCS 15/4. This information is REQUIRED. Failure to provide the information can result in a fine up to $10,000 per day and a loss of registration. Additionally, under Federal Law, any owner who knowingly fails to notify or submits false information may be subject to a federal civil penalty not to exceed $10,000, plus any applicable state fines, for each tank which notification is not given or of which false information is submitted.

If your township has a UST, then the Office of the Illinois State Fire Marshal, Division of Petroleum and Chemical Safety is requesting proof of financial assurance that is being maintained. This information can be found on the Illinois State Fire Marshal website at https://webapps.sfm.illinois.gov/USTContractorPortal/forms/FinancialResponsibility.

Section 176.210 of the Office of the State Fire Marshal rules and regulations states that each owner or operator shall maintain financial responsibility in the sum of $20,000, regardless of the number of USTs or facilities owned or operated. This $20,000 shall be comprised as follows:

a. $10,000 for corrective action; and
b. $10,000 for third-party liability for bodily injury or property damage (for definitions of “bodily injury” or “property damage” see 415 ILCS 5/57.2).

The Financial Responsibility document in the above link lists the financial assurance options that are available: Commercial or Private Insurance; Self-Insurance; Guarantee; Surety Bond; Letter of Credit; Certificate of Deposit; or Designated Savings Account.

The Illinois State Fire Marshal website also has information on Aboveground Storage Tank Statutes and Rules at http://www.sfm.illinois.gov/Commercial/Above-Ground-Storage-Tanks/Statutes-and-Rules. Sean Richardson, Loss Control Representative for TOIRMA advises that the Illinois OSHA/Department of Labor has been visiting members and they are checking above ground storage tanks for proper stickers (ie. No Smoking) and collision protection.
Human Resources Help Line  Don’t forget to call for help with employee issues. 888-472-6785 Ext. 1172

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