

## Parish/School Credit Card User Guidelines

Each individual with access to the credit cards needs to sign these Credit Card Guidelines acknowledging the terms of use.

Credit card users must ensure that cards are used ***only*** for Parish/School business and that detailed receipts, including the specific business purposes, are attached to the statement for all credit card purchases and this support must be reviewed and approved by the Pastor/School President/Principal. Prior to making purchases, every effort must be made to eliminate potential sales taxes through the use of the Maryland Sales Tax Exemption Certificate.

Examples of items which should **NOT** be purchased by employees using the Parish/School credit card include:

- Personal Expenses
- Unbudgeted Capital Expenditures
- Charitable and Political Contributions
- Any Item Not Considered Reasonable, Ordinary, and Necessary (*This is determined based on the purpose served and if the expenditure is necessary for operations or to accomplish ministerial goals. For example, the purchase of a leather bound notebook when a spiral bound notebook is more than sufficient or if it could not be justified to a skeptical parishioner.*)

**Personal use of the credit card is not permitted. The account will be closed if it is used for any personal expenses.**

- **Original receipts must be retained** for items purchased in order to properly support all credit card expenses.
- **Each receipt must be initialed by the purchaser, should include the budgeted expense with which it is associated and must describe the business purpose.** (*This can be done on the receipt itself or in voucher form as determined by each location. An example of purpose would be VBS, School bathroom repair, administrative office supplies, etc.*).
- In addition, **the general ledger account to be charged should also be noted** if known by the purchaser.
- **All receipts, marked as noted above, must be submitted to the accounting/business manager within a week of receiving your statement.** It is best to establish a procedure in which each charge is managed in a consistent manner as incurred so as to not misplace any receipts.
- Once all receipts are submitted, **the pastor/principal must approve all credit card expenses prior to payment of the bill.**

***Failure to submit credit card receipts on a timely basis with proper documentation will result in a temporary suspension of your card. Repeated failure will result in the account being closed. This applies to all holders of credit cards, including pastors/principals.***

Upon termination of employment, the credit card must be turned in on or prior to the employee's last day.

***I have received my credit card and have read the above and agree to the terms of the policy.***

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Signature

Date

## 105.3 Credit Card Usage

Parish/School credit cards are acceptable; however, access/use of credit cards is limited to key individuals (i.e. Pastor, School President/Principal, Director of Facilities, and other limited key staff members as deemed appropriate by the Principal or Pastor). ***Debit cards are prohibited as they do not have the same controls as a credit card (i.e. transaction/credit limits, etc.)***

### Procedures:

- A. The Parish/School must have written guidelines that are distributed to all credit card users, describing the cardholders' responsibilities (i.e., business purpose, supporting documentation, and timeliness) for using the parish's credit cards. Each individual with access to the credit cards **must** sign the Credit Card Guidelines acknowledging the terms of use for the card.
- B. The Parish/School shall establish reasonable credit limits for each card/individual based on their expected usage. The credit card has a set limit in order to reduce exposure to theft. This limit can be increased/decreased by the card administrator with pastor/principal approval and should not be done without careful consideration.
- C. Credit card users, including Pastors and School Presidents/Principals, must ensure that cards are used only for Parish/School business and that detailed receipts, including the specific business purposes, are attached to the statement for all credit card purchases and this support should be reviewed and approved by the Pastor/School President/Principal.
- D. Original receipts must be retained for items purchased in order to properly support all credit card expenses. Each receipt must be initialed by the purchaser, should include the budgeted expense with which it is associated and must describe the business purpose.
- E. Failure to submit credit card receipts on a timely basis with proper documentation or personal use of the credit card will result in a temporary suspension of the card. Repeated failure will result in the account being closed. This applies to all holders of credit cards, including pastors/principals.
- F. The pastor/principal must approve all credit card expenses prior to payment of the bill.
- G. Upon termination of employment, the credit card must be turned in on or prior to the employee's last day.