

CHURCH CREDIT CARD PURCHASE POLICY

PURPOSE:

The purpose of this policy is to provide financial integrity by mitigating risk through guidelines for use of Church purchase cards. The purpose of church staff having purchase cards is to provide convenient means of paying for goods and services for the Church.

POLICY/PROCEDURE:

1. All new purchase card contracts that involve the Church in payment liability of any kind or that would list the name of the Church on the card must be approved by the Church Controller (or equivalent position).
2. All individuals who are issued a purchase card with their name on it must be approved by the Church Controller. All individuals who check out a purchase card must be approved by the Controller (or equivalent). Each recipient, in either case, must complete and sign an approval form listing the card(s) he/she has been given.
3. The purchase limit of each card will be determined and approved by the Church Controller. No purchase cardholder has the authority to increase the limit on the card he/she holds or to charge over the limit of the card.
4. Church purchase cards are not to be used for personal expenses. The Church Controller will have the final determining authority in disputes over whether a charge is a "personal charge". The Church will not pay for personal charges on purchase cards.

If a staff member violates this policy, the charges must be reimbursed by the user prior to the payment of the purchase card bill by the Church via a check made out to the card company. If this is not done, the charges will be paid for through payroll deductions. The Church Controller may revoke purchase cards from staff members who violate this rule.

5. The church has other cards that are used for accounts at specific stores, which will be kept by the Controller and may be checked out by individuals for purchases at that store. These cards will be checked out and must be returned after the purchase. The receipt and/or invoice from that store must be turned in with the card, properly marked with the Accounting Number(s) for that charge.

The Controller holds purchase cards that are checked out. He/she will also be the one who will keep the signed approval forms on file.

6. It is the cardholder's responsibility to have purchase card invoices reviewed and

approved by the date communicated by Accounting. All charges should have designated Accounting Numbers both on the invoice and on the receipts. If there are multiple charges with multiple Accounting Numbers, the cardholder will need to fill out a Purchase Card Summary Sheet and attach it to the invoice. Receipts for all charges must be organized in the order on the invoice and stapled to the invoice behind the Purchase Card Summary Sheet. **Any interest or late charges due to delinquent processing of the invoice by the cardholder or a designee will be the responsibility of the cardholder.**

7. Individuals who fail to abide by the points of this policy will lose their purchase card privileges.

These samples are provided as input to assist you in developing procedures, but are not a substitute for considering the risks at your church and establishing your own policies and procedures to reduce those risks to acceptable levels. Transformation Ministries provides these as a convenience for its churches but directly states to you, the user that Transformation Ministries is not providing these to you as legal advice or even a substitute for legal advice. Use of these samples is at your own risk. Laws change and best practices change, sometimes rapidly. It is your church's responsibility to stay abreast of changes in laws and best practices. It is recommended you always consult with your attorney and/or CPA as part of the process of developing your policies and procedures.