

The Episcopal Diocese of Fort Worth

Credit Card Policy

Policy Number: B-4
Adopted: March 12, 2011

PURPOSE:

This policy sets forth the authority, use and monitoring of credit card accounts.

CANONICAL REFERENCES:

Constitution and Canons for the Government of the Episcopal Church: Title I, Canon 7: - Business Methods in Church Affairs specifically addresses the business methods prescribed for every diocese, parish, mission, and institution subject to the authority of the Episcopal Church. The *Manual of Business Methods in Church Affairs* identifies requirements for sound, practical internal controls, accounting guidelines and business practices, especially, Chapter II, Internal Controls.

POLICY:

1. The Bishop is authorized to obtain a bank credit card in the name of the Episcopal Diocese of Fort Worth.

2. The credit card holders will be the Bishop, the Ministry Developer/Administrative Officer, and the Bishop's Executive Secretary.

2.1. The attached Credit Card User Agreement must be signed, dated and on file for each credit card holder.

2.2. Credit card holders shall endeavor to protect the card from loss or theft. If a credit card is lost or stolen, or if there is suspicion of any fraudulent activity, the credit card holder shall notify the credit card company and the Diocesan Treasurer or Treasurer's Assistant immediately.

3. The credit card will be used only for ordinary and necessary business expenses incurred on behalf of the Diocese under the following conditions:

3.1. The expenses must be a deductible type business expense as defined in IRS publication 463; pertain to a current Diocesan budget activity and category; and be reasonable in amount.

3.2. The Ministry Developer/Administrative Officer may use the credit card to pay

authorized airfare, lodging, registration fees and other business expenses on behalf of Diocesan Representatives traveling on Diocesan business.

3.3. All purchases must comply with the Procurement Policy.

3.4. All purchases which could have been a reimbursement of expenses must comply with the Reimbursement Policy.

3.5. Reward points will be used only for Diocesan business purposes.

3.6. The Diocesan credit card may not be used to obtain cash advances.

3.7. Personal items may not be charged at any time for any reason.

4. The authorized spending limit on the credit card is \$7,000 per month. The spending limit per month for the Bishop is \$2,000; the Ministry Developer/ Administrative Officer, \$4,000; and the Bishop's Executive Secretary, \$1,000. The Treasurer, in consultation with the credit card holders, may adjust the spending limits of the credit card holders from time to time based on current business activities of the Diocese and duties of individual credit card holders.

5. The credit card holders will maintain a transaction register to ensure that they stay within the spending limits. The register will show for each transaction: the date, vendor, product or service, budget activity and category, and expense amount.

6. An original sales receipt or invoice and credit card authorization must be obtained for each transaction. When an online purchase is made, a printed receipt is to be provided.

6.1. The receipt or invoice and credit card authorization must show the name and location of the vendor, date of service, itemized list and cost of services or products provided, total cost, and signature of card holder. If a gratuity for meal service is added to the credit card authorization, it must be itemized and included in the total cost.

6.2. The receipt or invoice and credit card authorization must be annotated by the credit card holder to show the budget activity and category.

6.3. In the case of meals and entertainment, the receipt or invoice and credit card authorization must be annotated by the credit card holder to show the names of all persons involved in the purchase, and a brief description of the business purpose for the purchase.

7. The credit card holders must submit the original sales receipt or invoice and credit card authorization to the Treasurer's Assistant as soon as possible (three to five business days) after the date of the credit card transaction. The Treasurer's Assistant will review the sales receipt or invoice and credit card authorization, obtain any missing information from the credit card holder and enter the information into the accounting system. The Treasurer's Assistant will monitor the

online credit card account for consistency with information received from the credit card holders. The Treasurer's Assistant will discuss inconsistencies with the Treasurer, who will follow-up with the credit card holders.

8. The monthly credit card statement must be reviewed and processed to enable timely payment of the account without any interest or late charges.

8.1. The unopened monthly credit card statement will be sent directly to the Treasurer's Assistant.

8.2. The Treasurer's Assistant will obtain the Ministry Developer/Administrative Officers review and approve (initial and date) of the monthly credit card statement.

8.3. The Treasurer's Assistant will reconcile the monthly credit card statement against the sales receipts or invoices and credit card authorizations received, obtain those not yet received from the credit card holders, and review any inconsistencies with the Treasurer.

8.4. The Treasurer's Assistant will complete the reconciliation of the monthly credit card statement in the accounting system and prepare the check for payment.

8.5. The outstanding balance will be paid in full each month.

9. The Treasurer will periodically review the bank and credit card reconciliations and statements to ensure that Policy requirements are followed.

10. Credit card statements with attached original sales receipts or invoices and authorizations will be maintained in accordance with the Records Retention Policy.

**EPISCOPAL DIOCESE OF FORT WORTH
CREDIT CARD USER AGREEMENT**

I acknowledge receipt of credit card #XXXX XXXX XXXX _____.

Requirements for use of credit card:

1. The credit card is to be used only to make purchases for the business of the Episcopal Diocese of Fort Worth
2. The credit card must be used in accordance with the provisions of the Credit Card Policy established by the Episcopal Diocese of Fort Worth.

I have received, read and understand the Episcopal Diocese of Fort Worth's Credit Card Policy and I agree to adhere to the Policy.

I understand that my use of the credit card will be suspended for repeated violations of the Policy.

Signature

Date