

CREDIT CARD POLICY

Credit cards will be issued for the following reasons:

1. To allow ministry personnel access to efficient and alternative means of payment for approved expenses, especially expenses related to business travel and office supplies.
2. To improve managerial reporting related to credit card purchases.
3. To improve efficiency and reduce costs of payables processing.

The Office Manager or Pastor will issue credit cards to paid staff if the staff member has the main responsibility for ordering approved expenses for the department; especially expenses related to business travel and office supplies, or the staff member will be involved in business travel.

Credit cards will only be used for business purposes. Personal purchases of any type are not allowed. Specifically, the following purchases are NOT allowed:

- Alcoholic beverages/tobacco products/controlled substances
- Construction, renovation/installation
- Items or services on term contracts
- Maintenance agreements
- Personal items or loans
- Purchases involving trade-in of ministry property
- Software or software licensing agreements
- Telephones, related equipment or services
- Hazardous materials and/or products
- Any other items deemed inconsistent with the values of the ministry
- Cash advances

The following credit card purchases required pre-approval from the Office Manager or Pastor:

- Capital equipment and/or upgrades over \$500
- Rentals

Cardholders will be required to sign an agreement indicating their acceptance of these terms. Individuals that do not adhere to these policies and procedures will risk revocation of their credit card privileges, disciplinary action and personal liability for any improper purchases.

Procedures

1. Credit cards may be requested for prospective cardholders by completing a "Credit Card Request Form" and returning it to the Office Manager or Pastor.
2. Upon approval, the cardholder will complete and return a "Cardholder Agreement Form" to the Office Manager or Pastor.
3. Detailed receipts must be retained and attached to a "LCMS Purchase/Payment Form." In the case of meals and entertainment, each receipt must include the date, time, names of all persons involved in the purchase, and a brief description of the business purpose of the purchase, in accordance with Internal Revenue Service regulations.
4. "LCMS Purchase/Payment Forms," with attached detailed receipts, must be submitted to the Accounting Department within ten days of use of credit card to enable timely payment of amounts due.
5. Cardholders should make every effort to ensure that purchases include sales tax. Iowa law requires that churches pay sales tax. (Refer to the LCMS Congregational Treasurer's Manual, chapter 12 for further details.)

Church Sponsored Credit Card Agreement and Release

I, _____, Social Security Number _____, in consideration of <Church Name> arranging for a financial institution to issue a Visa credit card in my name, do hereby agree to the following terms and conditions.

1. The card will be used exclusively for business purposes. The Church reserves the right in its sole discretion to terminate the credit card at any time and any personal use will result in revocation of the card and will subject me to disciplinary action up to and including termination of employment.
2. I will exercise due caution in the use and security of my card. In the event my card is lost or stolen, I will immediately notify the issuing financial institution and <Church Name>. I understand that I will be issued a replacement card as soon as administratively possible and that this agreement and release applies to any replacement or reissued cards received by me.
3. I agree to submit to <Church Name> for approval all original receipts along with the billing statements for company card charges. I understand that payment for these charges is remitted by the Church, as guarantor thereof, directly to the issuing institution and that I will need to submit the original receipts for accounting records.
4. Upon termination of my employment from <Church Name>, I will return the card immediately and agree that prior to such termination, I will pay in full upon demand, all outstanding personal charges due, if any, on the credit card account. I further agree and understand that any unsettled outstanding personal charges will be deducted from my final pay.

Further, I hereby release <Church Name> from any and all liability from my misuse of the card, and agree and understand that the Church may recover from me any loss due to my misuse of, or unauthorized purchases with, the card including interest, service charges or attorney's fees and other legal fees necessary to do so.

Signature: _____

Title: _____

Date: _____

Date

To Employee Receiving New Card:

It is my understanding that you will soon be in receipt of your First Lutheran charge card. I want to make sure that you are aware of the policy of First Lutheran charge card privileges.

Anyone having a charge card must adhere to the following:

- Report card lost or stolen IMMEDIATELY to credit card company first and Finance staff second.
- Turn in your receipts. immediately after each purchase with the back stamped and coded properly to the file folder located in the Accounting Manager's office, labeled with your name.
- When you order items by telephone or the Internet and do not receive a receipt, you MUST use: 1) a purchase order. This helps us and the vendor trace the product should problems occur. It also provides a record of what was ordered and when. *Purchase orders after-the-fact are not acceptable.* OR 2) you may use the wallet size receipt (attached) for your convenience if you are on the road. Turn in these documents to your personal folder as you would any receipt.
- If any receipt(s) are outstanding at the time of statement reconciliation, you will receive a copy of the statement with those items highlighted. These must be turned into the Finance Secretary within 24 hours.
Continued delinquency of turning in receipts may result in loss of card.
- If you are unable to locate any receipt(s), the amount will be deducted from your paycheck (or you may write a check to First Lutheran) until the receipt is found. Please communicate your preference to the Accounting Manager.
- Any problems regarding inappropriate charges, errors in billing, etc. against your personal card become the responsibility of the card holder to resolve and/or reimburse.

Charge cards are not a convenience. They are issued for emergency spending. The Finance Committee requests that every effort be taken to order items in advance using purchase orders along with sensitivity to budget and cash flow each month.

I have read and understand my obligations of holding a First Lutheran Church Charge Card.

Employee: _____ Date: _____

Church Administrator: _____ Date: _____

Cc: Personnel File

TRINITY LUTHERAN CHURCH FINANCIAL POLICIES AND PROCEDURES

Subject: Church Corporate Credit Cards-Employee Agreement

1. Employees of Trinity Lutheran Church are provided with a corporate credit card to transact purchases for the church in the normal course of their ministry. The use of the credit card is limited to business expenses only.
2. It is advantageous to the church and the cardholder to make credit card purchases. The credit card receipt documents each transaction and to some extent provides added recourse against any seller or provider of goods and services that does not deliver according to the terms of the purchase.
3. As a cardholder I agree to comply with the following provisions:
 - Each charge is to be used exclusively for purchasing supplies or other items required to carry out his/her ministry responsibilities for the church.
 - Agree to never make personal purchases with the card.
 - Should it be discovered that personal charges have been made with the church's credit card the undersigned will immediately reimburse the church for said unauthorized charges.
 - Each purchase will be documented with a receipt for services or products purchased; the purchase made is to be an authorized purchase under your current operation budget.
 - Purchases are to be documented using a Check Request showing a credit card purchase within 10 days of the purchase and delivered to the Business Administrator for processing.
 - Each cardholder is responsible for any charges made to their respective credit card.
 - The church shall pay all costs for the authorized use of a church credit card.
 - Agree to have a tax-exempt statement for the church available when any purchases are made in Missouri so that sales tax will not be charged on the purchase.
 - Agree to have any sales tax charges reimbursed to the church, if exempt by state law.
 - Agree to surrender the card immediately upon request from his/her supervisor or other recognized church authority.
 - Agree to surrender the card immediately upon leaving the employment of the church whether the termination is voluntary or involuntary.
4. Employees of Trinity Lutheran Church authorize the church to deduct any outstanding personal charges from their next paycheck if not immediately reimbursed to the church. Unauthorized use of a church credit card may be grounds for disciplinary action and/or loss of the credit card.

The above conditions and provisions are agreed to by the undersigned.

Date: _____

X _____