

Church Credit Cards

Occasionally the question comes up at District, "Should our congregation get a credit card?" This also has been the discussion of past Profile Newsletters and church administrative yahoo listserv. Below are some quotes from support staff that might help give you some ideas or guidelines to follow.

Some positive thoughts... "The pastor and I both have cards. Since we are the only ones in the office, we appreciate this convenience and use the cards for a variety of purchases."

"It was a hard sell on my part, but credit cards were finally approved. Each of the pastors and I have cards. Collecting all the receipts and making sure amounts are charged to the proper budget categories is a struggle sometimes, but the convenience is well worth the effort."

"Our cards are an invaluable asset! The time saved in not having to wait for a check to send, not having to use our money and wait for reimbursement, and being able to get what we need when we need it, is incredible. I recommend cards for every church office."

"I have access to church credit cards at one of the area warehouse stores and at the office supplier. This makes it easier to purchase things the office needs. Online or phone orders are billed to us."

"Our church does not have a universal credit card, such as Visa or MasterCard, but we do have credit cards for two office supply stores; they are a great help."

"I have designated one of my personal cards exclusively for church expenses. At the end of the month, I give my receipts to the treasurer for prompt reimbursement and it works great!"

Some negative thoughts... "Although our pastors have church credit cards, I advise against the church providing cards for other staff or members. I believe they tend to allow too many opportunities for abuse, especially when cards for one account are held by several people."

"Our credit card presented some problems for me personally. The card required a person's name on the card; mine was used. When bills were not paid on time, the company threatened to turn me (not the church) over to a collection agency. Be cautious."

Other thoughts... "The pastor and I each have a church card with credit limits set by our board. Every time one of the cards is used, the user must submit the receipts to me. I attach the receipts to a form on which I note the account which is to be debited; these are submitted to the treasurer at the end of the billing cycle."

"I opened one master credit card account and then issued a card to staff members. Their cards were identified with different card numbers but they were still under the master acct. When the bill came in, it was separated out with each person's purchases making it easy to reconcile."

"I keep our two church credit cards and anyone needing it has to come by and "check it out" at a check out book. They then have to bring it back to me along with the receipts. When they check

the card out they write down the expense category. I can look at the check-out book when I am reconciling the card statement before payment and any charges on the statement that I don't have a receipt for I can tell who had the card on that date.”

“Each ministry staff member has/had a credit card on our corporate account. They charge purchases and the church pays the bill each month. We make them sign our credit card use policy which authorizes us to deduct from their paycheck any purchase that they fail to turn in a receipt. We accept no excuses and make no exceptions. This solves the problem of lost or unexplainable receipts.”

“The big problem with letting people use their own cards and then get reimbursed is that this bypasses the purchase order system of getting approval for a purchase "before" the fact and not after the fact. It also raises the issue of people getting personal air miles for using their credit card for church purchases and the question of ethics has come up before in some circles.”

There are many more ideas than you probably do not have time to read. If interested, for future research and thoughts, ideas can be searched at <http://groups.yahoo.com/group/churchadmin/>.

Consensus: Nearly all of those responding use and recommend church credit cards. If the congregation uses a credit card, just be sure rules are established or a policy is adapted to prevent future problems.

The District office uses credit cards as does every other District office. One suggestion if interested in setting up a policy of purchasing with plastic, find a card that has no annual fee or a nominal annual fee that provides the church some benefit. For example, WellsFargo Business Card accumulates one point for every dollar charged, building up towards free airfare or gift certificates for various retailers.

Also, The Lutheran Church Extension Fund (www.lcef.org) StewardAccount “Visa Check Card” is a great way to pay for purchases as well as supporting missions of the LCMS. Note, this is a debit card, and not a typical credit card. If interested in more information about LCEF StewardAccount using the Check Card, please contact either Roger Curtis (515.576.7666 or Roger.Curtis@idwlcms.org) or Carole White (877.439.5233 or Carole.White@lcef.org.)

