

§4300 PARISH, SCHOOL, OR AGENCY CREDIT CARDS

§4301 Use of Credit Cards

§4301.1 Policy If it is necessary, a parish, school or agency shall establish a credit card account. If this is done, the Pastor of the parish or administrator of the school or agency shall be the only authorized user of the card; with the advice of the parish finance council, there may be limited access to others. Debit cards shall not be used by parishes, schools or agencies. The parish, school or agency credit card shall only be used where it is not appropriate or convenient to issue a check. The parish, school or agency credit card shall never be used for personal expenses or for ATM transactions or for cash advances. The credit card balance shall be paid monthly on or before the due date as shown on the statement. Revolving credit is not allowed. Entities shall never provide credit card numbers to unknown individuals or organizations.

Procedure

A reasonable credit limit should be established with the credit card company for a parish, school or agency credit card.

§4302 Credit Card Use Agreement

§4302.1 Policy Every individual with access to parish, school or agency credit card, including the Pastor, shall complete and execute a credit card use agreement which among other things will acknowledge that he or she has received a parish credit card and that he or she will observe the conditions on the use of the credit card.

Procedures

- A. The Office for Finance will from time to time develop and issue a model parish credit card use agreement
- B. Once the parish, school or agency credit card use agreement is completed and executed, the original shall be kept in the appropriate personnel or other file at the parish, school or agency; a copy will be given to the credit card user.

§4303 Processing of Credit Card Charges

§4303.1 Policy The parish, school or agency credit card user shall submit all receipts and supporting register tapes to the parish, school or agency business office within a reasonable time. They are to be kept on file until the parish, school or agency credit card statement is received.

§4304 Credit Card Security

§4304.1 Policy Parish, school or agency credit cards shall be kept in a secure location when not in use. The credit card numbers should be recorded and kept on file in the parish, school or agency office with limited access in case the credit card is stolen or lost.

§4305 Internal Controls for Credit Cards

§4305.1 Policy If a parish, school or agency decides that use of a parish, school or agency credit card is necessary, then the parish, school or agency must establish appropriate internal controls with regard to the parish, school or agency credit card; these internal controls are to cover such issues as: access, signoff, and documentation of the type and purpose of the purchase, and appropriate monitoring of these matters. Use of a parish, school or agency is merely a type of contract or purchase and the appropriate authorization by the pastor or administrator must be followed. Statements must be mailed to the parish address and are to be reviewed by the pastor and not the individual charged with processing payment. The policy and procedures at BK5§4000 are to be followed where appropriate.

Procedure

A recommended limit for authorization by the pastor or administrator is \$500.

§4306 Processing the Parish, School or Agency Credit Card Statement

§4306.1 Policy Actual monthly purchases and payments shall be reconciled to the monthly parish, school or agency credit card statement as soon as it is received. Any discrepancy shall be investigated and resolved as soon as possible. All credit card receipts and corresponding register tapes shall be attached to the credit card statement. The total amount due on the credit card statement must be paid in full monthly on or before the date shown on the statement. Upon payment of the credit card statement, the appropriate ledger accounts (as shown on the log) shall be charged.

§4307 Personal Credit Card Purchase Reimbursement

§4307.1 Policy Unless it is necessary, no purchase shall be made with an individual's credit card. Only the pastor or administrator of a parish, school or agency can determine when such a purchase is necessary. If such a use is necessary, the following procedures shall be followed.

Procedures

- A. Proper authorization from the pastor of the parish or administrator of the school or agency shall be obtained before purchasing any item.
- B. No sales tax will be paid to individuals even if the purchase might have been tax exempt. It should be noted that by Illinois Law, items that are never tax exempt to parish, school or agency are restaurant and hotel or motel charges.
- C. All receipts must be presented with the reimbursement request (check request)
- D. No late fees shall be paid by a parish, school or agency on an individual's personal credit card.

§4308 Accounts at Stores/Purchases on Credit

Commentary:

Purchases, such as those made on account at stores that give a parish, school or agency credit are similar to credit card purchases and the foregoing procedures and policies should be followed where appropriate. The following policy is intended to deal specifically with such credit arrangements.

§4308 Policy A listing shall be kept and maintained at the parish, school or agency office and given to each vendor delineating who is authorized to purchase on credit with that vendor. Only the pastor of the parish or administrator of the school or agency is to authorize persons authorized to purchase on credit with a vendor. This listing shall instruct the vendor that photo identification is required when such purchases are made, as a condition of reimbursement to the vendor. Receipts must also be turned in for proper reconciliation with invoices and statements.