

St. Joseph's Parish
Credit Card Use Policy
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Goal: To ensure that staff who are required to make regular purchases on behalf of their department have clear guidelines and norms to following when using their corporate credit card and that procurements are made in a cost-effective and secure environment.

Background: Five St. Joseph's Parish employees have corporate Visa cards, issued by US Bank. These include: the Executive Director, the Pastoral Associate, Director of the Women's Centre, the Manager of the Supper Table and the Maintenance Manager. Each card has a credit limit of \$2,000 and balances are paid in full, automatically on the 27th of each month.

Roles & Responsibilities:

- a) Individual cardholders are accountable for purchases made on their card and for ensuring that each purchase is matched with an original receipt. Purchases may only be made for budgeted expenses and a card assigned to one department may not be used to make purchases on behalf of another manager, who has his/her own corporate Visa.
- b) Original receipts for all credit card purchases must be submitted to the Finance Coordinator, once per week. The procurer must indicate the individual departmental account's identifier (name or number), to where the purchase is to be charged. The Accountant must ensure that all original receipts have been submitted by the 25th of each month, or by the last work-day prior to payment, as well as ensure that each amount has been charged to the appropriate account.
- c) The Finance Coordinator must notify the Executive Director in writing of any inappropriate card use, or missing receipts. Should the issue remain unresolved for 10 work days, the Executive Director must inform the Finance Committee Chair of the nature of the problem, who may then add the item for investigation or discussion to the agenda of the following meeting, and subsequently inform the Chair of Parish Council.
- d) The Executive Director oversees the overall management of corporate credit cards, based on information obtained from individual cardholders and the Accountant. The Executive Director must ensure that appropriate monitoring mechanisms are in place and are followed, or that proposed changes to such mechanisms be presented to the Finance Committee for review, as required. The Executive Director must send an annual reminder to each cardholder about his/her obligations and any changes in policy implemented during that calendar year. The Executive Director must also review and authorize all capital purchases, as well as any purchase above \$500.00. The Executive Director must also recommend to Finance Committee the suspension or cancellation of any account, when said account has not been used in accordance with this policy. The Finance Committee would subsequently issue a recommendation to Parish Council.

Appropriate expenditures not requiring prior authorization:

- a) All operating expenses appearing in the approved annual budget, amounting to less than \$500.

Appropriate expenditures requiring prior authorization:

- a) All operating expenses appearing in the approved annual budget amounting to \$500 or more;
- b) All capital expenditures appearing in the approved annual budget
- c) Any purchase of capital assets: tools, electronics, hardware, software, as well as intangible licenses (ex: copyright, permits, etc.)
- d) Any on-going financial commitments charged to the account on a regular basis (ie: subscriptions, recurring bills, etc).
- e) Any purchase in a budgeted category where the total amount spent has reached or surpassed the maximum approved in the annual budget. In this instance, Parish Council and Finance Committee must be notified of the proposed expense and may issue approval.

Inappropriate expenditures:

- a) Any expenditure not approved in the annual budget;
- b) All personal expenses; under no circumstances may corporate credit cards be used to cover personal expenses;
- c) Corporate cards may not be used to obtain cash advances

Credit Limits:

- a) Credit limits may be increased or decreased at the sole discretion of Parish Council, upon recommendation from the Executive Director and the Finance Committee.
- b) The Executive Director conducts a review of the actual credit limit once per calendar year and produces a report with his/her recommendations

Suspension or Cancellation of Credit Cards: Suspension or Cancellation must occur in any of the following instances--

- a) Departure of the cardholder from the organization;
- b) A significant change in job description, where access to a credit card is no longer essential
- c) Inappropriate or unauthorized card use
- d) Failure to provide original receipts results in a one-month suspension after the first instance and in cancellation following a second infraction.