

Eastern Region Open Bible Churches

(Personalize this policy model for your church. Even if the senior pastor is the only person using a church credit card this policy, as adopted and recorded in the governing board's minutes, provides clarity of agreement about use and accountability)

ACCOUNTABLE REIMBURSEMENT PLAN AND CREDIT CARD POLICY & PROCEDURES

The following credit card policy and procedures for regional ministry leaders provide for payment of authorized ministry-related business expenses through regional credit cards that are assigned with specified credit authority. Any funds that are expended on behalf of a ministry that do not comply with the following policy and procedures will be the personal responsibility of the ministry leader.

MINISTRY CREDIT CARD POLICY AND PROCEDURES

OBJECTIVES

1. To allow ministry personnel access to efficient and alternative means of payment for approved expenses.
2. To improve managerial reporting related to credit card purchases.
3. To improve efficiency.

POLICY

1. Ministry credit cards will be issued to regional ministries leaders only with approval of the regional executive director and regional board of directors.
2. Credit cards will be used only for authorized ministry business purposes, within ministry budgets that have been approved by the regional executive director. Personal purchases of any type are not allowed.
3. Credit cards are used only when advance payment by regional check is not possible.
4. Ceilings on credit card charge authorizations are established and adjusted by the regional executive director and regional board of directors.
5. The following purchases are not allowed:
 - Alcoholic beverages/tobacco products
 - Expenditures over \$500 without written/electronic authorization from the regional executive director
 - Controlled substances
 - Items or services on term contracts
 - Maintenance agreements
 - Personal items or loans

- Purchases involving trade-in of ministry property without written authorization from the regional executive director
 - Rentals without written/electronic authorization from the regional executive director
 - Telephones, related equipment, or services
 - Any other items deemed inconsistent with the values of the ministry
 - Cash advances on credit cards are not allowed without written/electronic authorization from the regional executive director.
6. Cardholders will be required to sign an agreement indicating they accept these terms. Individuals who do not adhere to these policies and procedures risk revocation of their credit card privileges and will be personally liable for unauthorized charges.
 7. The ministry leader to whom a credit card is assigned is responsible for its safety. A lost card must be reported immediately to the regional office.

PROCEDURES

1. Credit cards may be requested for prospective cardholders by written request to the regional executive director and regional board of directors.
2. Ministry Expense Report forms must be submitted for each week in which ministry expenses were incurred and entirely completed in order to protect the ministry leader: Itemization, subtotals, dates, expense details, and credit card or cash reimbursement categorization of expenses. Odometer mileage must be included on *Schedule A* of the Ministry Expense Report, whether gasoline was purchased with a regional credit card or mileage is reimbursed.
3. Detailed receipts must be retained and attached to a Ministry Expense Report form. In the case of hospitality, each receipt must include the names of all persons involved in the purchase, date, place, amount, business purpose, and business relationship, as completed on *Schedule C* of the Ministry Expense Form.
4. Monthly billing statements will be received at the regional office. Ministry leaders will be sent via e-mail the itemization of expenditures on their cards and must immediately inform the regional office concerning any charges that could be fraudulent. Within ten days of receipt of credit card billing details, ministry leaders are required to submit to the regional office a completed Ministry Expense Report form with attached, detailed receipts to enable timely payment of amounts due. The Ministry Expense Report form serves as protective accountability for the ministry leader by clearly documenting that such expenses are for authorized ministry purposes and qualify as accountable reimbursements.

TERMS:

Accountable Reimbursement Plan

A plan established so that employees/volunteers can charge business expenses for ministry purposes and, by providing stipulated documentation, not be required to include the charges as personal income.

Accountable Reimbursement

Submitted regional ministry expenses that are fully supported by required documentation and are not reported to the IRS as the ministry leader's personal income.

Nonaccountable Reimbursement

Any submitted regional ministry expense which is not fully supported by required documentation and, thus, necessitates reporting as personal income to the IRS.

Hospitality

Meals and entertainment expenses for guests of regional ministry leaders that are consistent with the ministry's purpose and authorized budget.

Event Entertainment

Event expenses for group entertainment of participants, such as skating rinks, swimming pools, entertainment facilities, etc.

**EASTERN REGION OPEN BIBLE CHURCHES
MINISTRY LEADER CREDIT CARD HOLDER AGREEMENT**

I, _____, hereby acknowledges receipt of the following
credit card: _____ / _____ - _____ - _____ - _____
(type of credit card) (credit card number)

I understand improper use of this card may result in revocation of my credit card privileges as outlined the credit card polices and procedures as well as personal liability for any improper purchases. As a cardholder, I agree to comply with the terms and conditions of this agreement, including the attached Accountable Reimbursement Plan and Ministry Credit Card Policy and Procedures agreement.

I acknowledge receipt of said Agreement, Plan, and Policies & Procedures and confirm I have read and understand the terms and conditions. I understand by using this card, I will be making financial commitments on behalf of the regional ministry I serve and that the ministry will be liable to _____ for all charges made on this card.
(Name of Credit Card Company)

I will strive to obtain the best value for the Ministry when purchasing merchandise and/or services with this card.

As a holder of this credit card, I agree to accept the responsibility and accountability for the protection and proper use of the card, as enumerated above. I will return the card to the regional executive director, upon demand, during the period of my service. I further agree to return the card upon termination of my regional ministry leadership and will immediately report a lost credit card to the regional office. I understand the card is not to be used for personal expenses. If the card is used for personal expenses, purchases for any other entity, or for unauthorized purchases, Eastern Region will be entitled to reimbursement from me of such expenses.

Signature _____ Date _____
(Cardholder)

Signature _____ Date _____
(Regional Executive Director)

Regional Office use only: Date _____ Credit Authorization \$ _____ Signature _____ (Regional Executive Director)
