

Credit/Debit Card Policies and Procedures

I. Purpose

The document describes the council's policy concerning the use of credit/debit cards.

II. Summary

A council may, by motion of a majority of its members and with the approval of the Board of Trustees, hold a credit and/or debit card in its own name and authorize the Grand Knight, Financial Secretary, and Treasurer ("the cardholders") to use the card to pay council related expenses, provided the council follows the rules stated below to ensure accountability and transparency. Here, the term "council" also refers to assemblies).

a. Obtaining and Issuing Cards

The council is responsible for obtaining any credit/debit cards for its cardholders and establishing the credit or withdrawal limits for each card. The Treasurer shall issue the credit/debit cards to each cardholder. The credit/debit card is the property of the council.

Prior to receiving a card, each cardholder is required to sign the "Cardholder Agreement" ("Agreement") found below and send the executed Agreement to the Financial Secretary. Any cardholders who violate the Agreement, these rules, or the Order's rules for handling funds should have their card privileges revoked and may be subject to disciplinary action.

Upon receiving a card, the cardholder shall activate the card immediately and sign the back of the card. Once the card is activated, the cardholder should notify the other cardholders in writing that he has activated his card.

b. Types of Expenses

Council credit/debit cards shall only be used to pay for council-related expenses. Personal purchases of any type are strictly prohibited. The cardholder is responsible for all charges made on that card that is issued to him. The cardholder will be held liable for any unauthorized charges appearing on the card statement.

All council expenditures must be authorized and approved for payment in accordance with the Laws of the Knights of Columbus. Any expenditures that exceed \$500 must be approved in accordance with the requirements set forth within [Section 122\(b\) of the Laws of the Order](#).

c. Requirement to Obtain Alert Notifications

If the company that issued the card offers cardholders the option to receive alert notifications, the council is required to instruct the card company to issue alert notifications to each cardholder.

d. Procedures for Using a Credit/Debit Card

Before any purchase or payment is made, the cardholder must confirm that the expenditure has been authorized and approved by the council and a voucher (also known as an Order on Treasurer or a Warrant Voucher) has been issued by the Financial Secretary and countersigned by the Grand Knight in compliance with the Laws of the Order.

The cardholder must obtain a receipt for each payment or purchase. The receipt should include a brief description of the item that has been purchased or the service that has been performed.

The cardholder shall send the receipt to the Financial Secretary.

Councils must keep records of all credit/debit transactions on KofC approved books.

e. Card Statements

All credit/debit card statements must be delivered to the Financial Secretary. Upon receiving the statement, the Financial Secretary shall attach the receipts he has received from each cardholder to the statement showing the purchase or payment, and then he shall send a brief summary of the transactions to the Board of Trustees for its review.

Cardholders who fail to submit a receipt for any payments or purchases made on their card will be responsible for the particular payment or purchase.

f. Lost or Stolen Cards

In the event a card is lost or stolen, the cardholder must immediately notify the card company and the council's Treasurer. Upon receiving notice of a lost or stolen card, the Treasurer shall immediately notify the other cardholders and the council officers.

g. Log-in Credentials

Online credit/debit card account access shall be given to the Grand Knight, Financial Secretary, Treasurer, and Board of Trustees. At the start of the fraternal year, all parties shall agree on a secure password and keep it confidential.

h. When a Cardholder Leaves Office

Upon leaving office, a cardholder must surrender his card to the council's Treasurer who will then instruct the card company to cancel the cardholder's account.

CARDHOLDER AGREEMENT

I, _____, hereby acknowledge receipt of the “NAME OF CARD COMPANY” Card / XXXX -XXXX -XXXX -_____.

(credit/debit card number – last 4 digits only)

By signing below, I acknowledge that that the card is property of Council ____ and I agree to use the card for council-related purchases and expenses only. I acknowledge that any improper use of this card may result in disciplinary action being brought against me and that I will be personally liable for any unauthorized purchases. I agree to comply with the terms and conditions of this agreement and the Credit/Debit Card Policies and Procedures for Council name & number (Policies and Procedures). I acknowledge receipt of the Policies and Procedures and confirm that I have read and understand the Policies and Procedures.

I agree to protect and use this card appropriately. Upon leaving office, I agree to return the card to my council’s Treasurer. Finally, I acknowledge that Council name & number has the option to pursue a legal action against me to recover the cost of any unauthorized purchases together with costs of collection and reasonable attorney fees.

Signature _____
(Cardholder)

Date _____

Signature _____
(Treasurer)

Date _____

| | |
|--------------------------|--|
| Council use only: | |
| Date _____ | Amount approved \$ <u>(leave blank)</u> |