

PARISH DEBIT CARD FACILITY

The prime internal control against the misappropriation of parish funds is that any withdrawal of any funds from a bank account (by cheque, EFT or over the counter) requires, at the time of withdrawal, the authorisation of two separate signatories nominated by the parish council.

It has become the norm when purchasing online, that payment can be made using a debit/credit card facility. It is possible that to work around this in a parish an individual might initiate the transaction and then seek reimbursement from the parish. While this is perfectly acceptable should a parishioner volunteer to do this, it should never be the expectation that a parishioner must do this.

The attached two page “Parish Debit Card Facility – Card Holder Application Form” lays out the procedure to govern electronic payments via debit cards to ensure an appropriate level of control over the release of funds from the parish account.

PROCEDURE FOR PARISH DEBIT CARD FACILITY

To apply for a Parish Debit Card Facility parishes need to:

- Send a letter to letter of application to the Registry
 - containing a resolution of the Parish Council, nominating the individual card holder (parishioner, employee or Rector)
 - signed by 3 church wardens
 - attaching the completed Parish Debit Card Facility – Card Holder Application form

PARISH DEBIT CARD FACILITY – CARD HOLDER APPLICATION FORM

1 The Debit Card Facility

- 1.1 The preferred method of payment for all parish expenditure is through the existing cheque or EFT arrangements where, at the time funds are released to the payee, the authorisation of two independent nominated parish representatives is required, supported by invoices or other documentation.
- 1.2 The parish may open a debit card facility whereby payment may be initiated (either over the counter or on-line) by a single parish representative, being the nominated debit card holder.
- 1.3 The facility shall be a debit card facility, not a credit card facility and the facility shall be on a separate dedicated account. This specifically limits the exposure to any funds that are actually in the specific account and removes any risk to parish funds in general.
- 1.4 The maximum funds held in the debit card account shall be capped at an amount not to exceed \$1000.00.
- 1.5 Notwithstanding 1.4, where a payment is required from the debit card which exceeds this limit, on verification of the amount from appropriate supporting documentation and two of the parish representatives authorised to approve payments (other than the debit card holder) may approve a transfer of additional funds to the debit card sufficient to cover that specific transaction.
- 1.6 Only normal parish operating expenses approved by the Parish Council (either through the normal budget process or by specific resolution) may be paid using the debit card facility, and only where the normal payment processes outlined in 1.1 cannot reasonably be applied. The debit card facility is not, under any circumstances, to be used for the private expenses of the debit card holder, the Rector, Wardens, Parish Council or any other individual.
- 1.7 Any excess funds in the debit card account (including funds transferred under 1.5 which were not subsequently required) should be transferred back to the main parish bank account in a timely manner.

2 Reconciliation

- 2.1 The holder of the debit card shall ensure that they obtain a suitable receipt (normally a tax receipt) for all transactions initiated on the debit card. These receipts shall be signed and dated by them as evidence that they initiated the transaction and given to the parish treasurer in a timely manner (at least monthly).
- 2.2 On receipt of the monthly statement for the debit card, the parish treasurer shall reconcile the statement with the supporting documents and ensure that the operation of the card has been in accordance with this procedure, including that any funds advanced under 1.5 have been expended for the purpose intended.
- 2.3 In the event of any irregularity or non-compliance with this procedure the treasurer shall report the details promptly to the wardens as a whole at their next meeting and to the Registrar.
- 2.4 It is anticipated that as part of the annual audit process, this procedure and the debit card statements, along with supporting documents and reconciliations, would be made available to the auditor and that any discrepancies or issues identified by the auditor would be reported back to the parish and the Registrar through the audit reporting process.

3 Access to the Debit Card Facility

- 3.1 All Australian Banks require a credit card (whether in the name of an organisation or an individual) to be operated by a single nominated individual. The banks own rules prohibit other persons not named on the card from using that card.
- 3.2 The Parish Council shall nominate one parishioner, employee or the Rector to be the designated individual to operate the debit card facility.
- 3.3 The person nominated to operate the debit card facility, before being issued with the card shall sign the declaration below noting that they have read this parish debit card procedure and agrees to operate the debit card facility in line with this procedure.
- 3.4 At any time the wardens or Parish Council may close the debit card facility and require the return of the debit card on issue to the nominated person, either to close this facility altogether, or to close this specific facility and reissue debit card to a new warden (as will be required on the resignation, retirement or removal of the nominated person with the debit card facility).

DECLARATION

I, _____ , of the Parish of _____

have read and understood the above Procedure and agree to abide by the guidelines contained within it.

Signature: _____

Date: _____