



**MOODY**  
**GLOBAL MINISTRIES™**

# **CREDIT CARD POLICY**

Revised September 2015

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# MOODY GLOBAL MINISTRIES

## CREDIT CARD PROGRAM

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### I. GENERAL INTRODUCTION

Moody Global Ministries' Credit Card Program is maintained through a contract with the issuing bank. The card is a VISA card; and the program is designed to delegate the authority and means to purchase goods and services, including travel and entertainment, directly to the person to whom it matters most--you, the cardholder.

The major purpose of this program is to reduce cost for Moody when acquiring goods and services. It also reduces cost by reducing paperwork, including the number of purchase orders and checks that must be printed and issued, as well as the number of invoices that must be matched and paid.

By using a credit card:

- You will receive your orders faster/earlier
- You will have direct contact with established Contract and Preferred vendors
- You will receive ordered goods directly at your specified location (see "Receipt of Materials")
- You will experience best price, because with your help we are able to negotiate competitive rates with Contract and Preferred suppliers.

The result is a leaner and more responsive vendor base and more convenient ordering and delivery schedules, as well as financial benefits to your department and Moody.

### II. KEY PROGRAM CONTACTS

- Credit Card Administrator, Procurement Services
- Procurement Services Manager, Procurement Services
- Accounts Payable Supervisor
- General Ledger Supervisor, General Ledger (account reconciliation)

### III. DEFINITION OF TERMS

CREDIT CARD - A credit card issued to an individual Moody employee for the purpose of making authorized purchases on Moody's behalf. Moody is responsible to make payments for all authorized, business-related charges made properly using the card.

CARDHOLDER - A person to whom a Moody credit card has been issued. A cardholder may or may not also be a delegate.

DELEGATE - The person assigned to reconcile a cardholder's charges (not the actual cardholder). A delegate may manage more than one cardholder's account at the discretion of the accounts' owners. A delegate may or may not be a cardholder, but must have privileges set up in Oracle.

APPROVER - A cardholder's superior who is responsible for approving transactions of that cardholder.

ORACLE - The ERP (Enterprise Resource Planning) system used by Moody for tracking and reconciling all card transactions.

HOME COST CENTER - The 4-digit cost center assigned to a cardholder. All charges are posted to the home cost center if not reassigned by the cardholder when transactions are reconciled.

ISSUING BANK - The bank that's contracted to issue cards and manage Moody's cardholder accounts.

SUPPLIER MANAGEMENT - In addition to implementing the credit card program, Moody actively evaluates suppliers that are engaged by departments throughout the organization in order to establish and maintain a "Preferred and Contract Supplier" management program. This involves identifying suppliers that can best meet Moody's needs and then formalizing relationships with them. Suppliers that offer the best price, quality, and service are then designated as a "Contract Supplier" for a defined amount of time, usually one to three years. Supplier contracts are reviewed and renegotiated on a regular basis. "Preferred Suppliers" have been screened for competitive prices as well as product and service quality, but may not be bound by a formal contract with Moody. In fact, where there might be only one "Contract Supplier" for a particular type of product or service, there may be more than one "Preferred Supplier" designated for the same product or service. All "Contract" and "Preferred" Suppliers are listed in the Moody Preferred Supplier database that is hot-linked on [Procurement Services' web site](#).

CONTRACT SUPPLIER - A supplier that has been pre-approved for order placement with a credit card without needing further approval from Procurement Services. A [list of suppliers](#) meeting those criteria is maintained on the [Procurement Services site](#).

PREFERRED SUPPLIER - A supplier that has been pre-approved for order placement with a credit card without needing further approval from Procurement Services. Preferred Suppliers are vendors we have a relationship with that supply quality products at low prices, but we do not have a contract with them. The list of suppliers meeting our criteria as preferred suppliers is actively maintained on the Moody [Procurement Services web site](#).

#### LIMITS

- Monthly Limit - Total amount that can be spent per calendar month (varies individually)
- Single Transaction Limit - Dollar limit per single transaction (varies individually)

MONTHLY STATEMENT - The statement received monthly for bill payment and cardholder records.

MCC (Merchant Category Code) - A four-digit number assigned to a business by credit card companies (e.g., American Express, MasterCard, VISA). The MCC is used to classify the business by the type of goods or services it provides. In the United States, it can be used to determine if a payment needs to be reported to the Internal Revenue Service for tax purposes.

CVV or CVC – The three-digit “card verification value” or “card verification code” on the back of the card, which is used for added security, particularly when placing phone or online orders.

PIN-CHIP CARD – The new generation of credit/debit cards being introduced in the US. A computer chip is embedded in each card, which either must be inserted into a reader, or held close to a scanner that can read the card over a short distance using radio frequencies. These cards are designed to add security to transactions, reducing the potential for fraud.

#### **IV. CREDIT CARD USE—GENERAL GUIDELINES**

##### **A. THE CARD**

A credit card is issued in the cardholder’s name with their department name on the second line of the card. This card is for business purposes only and may not be used for personal purchases. Use for personal purchases may result in disciplinary action. (Also, note that use of a personal credit or debit card for business purchases is prohibited unless it’s an absolutely unavoidable emergency. Keep in mind that there are emergency procedures in place to eliminate the need of using personal cards in cases of travel emergencies. See Sections IV I. Prohibited Purchases; and XII.)

##### **B. LOST OR STOLEN CARDS**

Each cardholder is accountable for his/her own card. It is **imperative** that you call the issuing bank immediately to notify them if your card is lost or stolen. Representatives are available 24 hours a day. Also, notify your department manager and the Credit Card Administrator **by email within one business day**. Upon receipt of your telephone call, the bank will immediately suspend your card and issue a new one. The new card will be sent to the Credit Card Administrator. If the original card is found or returned after it has been reported lost or stolen, destroy it and send an email to the Credit Card Administrator stating that it was found and destroyed.

##### **C. PERSONAL LIABILITY**

There is potential personal liability connected with the card. A cardholder making an unauthorized purchase will be held responsible to reimburse Moody for the expense. Also, the cardholder is responsible to keep his/her card in a secure location and not give the account number to any other individual, whether employed by Moody or not. (This excludes suppliers who are processing actual charges.) The above-mentioned liability also extends to business charges made on personal credit or debit cards for which employees are seeking reimbursement. Such charges are expressly prohibited except in dire emergencies, or as noted later in this policy, and reimbursements generally

should not be granted. If you know of a violation of this policy please contact the Credit Card Administrator immediately.

#### **D. CARD LIMITS**

The limits on each card will be determined by the cardholder's department manager/account owner and the Credit Card Administrator, not to exceed the "Authorized Signature Report" limits for that individual. Exceptions must be approved in writing by the cardholder's Vice President and sent to the Credit Card Administrator.

#### **E. CASH ADVANCES**

The CFO requires that cash needs for all overseas travel be handled by utilizing the cash-advance feature of the traveler's card. The cash-advance feature must be enabled by the Credit Card Administrator before the cardholder's departure. Cash advances via credit card through a bank or ATM are also available for domestic travel; please contact the Credit Card Administrator in advance of your trip to discuss this option. The cash-advance capability must be approved in writing by the cardholder's Vice President and sent to the Credit Card Administrator before the trip. Note that cash advances count toward the cardholder's monthly credit card limit and there is a cash advance fee for each transaction.

#### **F. RECONCILING**

A cardholder (or their delegate) is responsible for reconciling all purchases and transactions listed on the monthly statement provided by the issuing bank. *This reconciliation must occur **promptly**, within 5 business days of receiving Oracle's notification that transactions are available for reconciliation.*

#### **G. TAX-EXEMPT STATUS**

Most purchases made are exempt from state sales tax in several states. The cardholder must inform the vendor of Moody's tax-exempt status with each purchase, if the vendor has not already been set up as a tax-exempt supplier by Procurement Services. All [tax-exempt letters](#) are available on the [Credit Card](#) and [Procurement Services](#) web sites. There is also a Multi-Jurisdiction Tax-Exemption Certificate on each web site that covers all states where Moody is tax exempt. If you do not find a letter for your state or have questions, contact Moody's Tax Department. (NOTE: Tax-exempt status is a privilege, not a right. If a supplier refuses to honor the tax-exempt status you must pay the tax and note the refusal in your reconciliation.)

#### **H. PURCHASING PRODUCTS**

To purchase products with your credit card you should use the Preferred Suppliers list to take full advantage of discounted prices, fast delivery, and the great customer service that have been promised to Moody. Please refer to the [Procurement Services web site](#) to view the current list of suppliers and products approved for purchase with your card.

To purchase items:

- That exceed your approved single-transaction limit
- That exceed your approved monthly limit
- That do not yet have designated Contract or Preferred Suppliers ...

Cardholders must use the traditional requisitioning and purchase-order process; or clear the purchase(s) through Procurement Services first.

Items such as travel and entertainment expenditures, subscriptions, membership dues, and conference registrations should be charged to your credit card.

*Special note*--If a vendor that you might otherwise use a credit card for requires payment by check, please use the traditional purchase-requisitioning workflow through Procurement Services.

## I. **PROHIBITED PURCHASES**

A credit card may *not* be used for the following purchases:

- Travelers checks, insurance, etc. (exceptions must be approved by the Controller's Office)
- 1099 Vendors (exceptions must be approved through the Controller's Office)
- Computer hardware and software (exceptions must be approved by ITS)
- Furniture (allowed *only* if through a Contract or Preferred Supplier and specifically approved in advance by Procurement Services)
- Capital equipment (exceptions must be approved through both the Division Manager of Facilities' and the Controller's Offices)
- Tobacco and alcoholic beverages
- Any items prohibited by Moody as stated in the Employee Information Guide
- Reservations for personal expenditures (e.g., rental car, hotel). Also, see Section XII for one exception related to personal travel expenses.

**SPECIAL NOTE:** In addition to restrictions listed above, use of a personal credit or debit card for business purchases is prohibited, except in dire emergencies where no other options are available. (See Section XII, which addresses emergency limit increases for your Moody card when traveling.)

## J. **FRAUD**

Fraud is defined as any charge on a Moody credit card that was not placed by the cardholder of that account for authorized Moody business purposes. This could include either internal or external fraud charges. Follow these procedures when fraud has been discovered or is suspected:

- Immediately contact the issuing bank's customer service center to report suspected fraud, have the card canceled, and a new card issued.
- Contact the Credit Card Administrator ASAP.
- Notify your Approver ASAP.

## **K. APPROVAL PROCESS**

Transactions are forwarded for approval after they have been reconciled in Oracle. The Approver will review them for accuracy, checking for correct account numbers and confirming that they are within approved budget guidelines and allocated dollars, with copies of quotes, correspondence, order documentation, and receipts attached to the Oracle record. The Approver will also check each transaction for validity and detail of the description. If any changes or more information are needed, the Approver will reject the transaction(s) and request that more information be added and the transaction resubmitted. If, in the Approver's estimation, a transaction is questionable, it should be discussed with the cardholder and resolved before approving. This process should be completed within 5 days of the transaction arriving in the Approver's Oracle portal. Also note that it is the Approver's responsibility to enforce reconciliation within 5 business days for all cardholders under their authority.

## **L. DELEGATION**

Though not allowed as common practice, a delegate may be set up to accommodate special needs or circumstances. Please see the [Credit Card web site](#) for instructions on how to set up a Delegate.

## **V. OBTAINING A CREDIT CARD**

- A. To obtain a Moody card, you may visit the [Credit Card web site](#) and complete an application to begin the process. After the application has been completed with the necessary information, it must be submitted to the Credit Card Administrator. The bank will subsequently deliver the new card to the Credit Card Administrator.
- B. The Administrator's office will contact you to complete credit card training. You must finish your training before the card can be issued to you. When training is done, and you have signed and returned the user agreement and security letter, your card will be issued to you.

## **VI. PLACING AND RECEIVING ORDERS**

### **A. TELEPHONE, INTERNET, AND PURCHASES IN PERSON**

Orders may be placed via the phone, Internet, or in person using the Contract and Preferred Supplier list on the Procurement Services web site. If the items are to be shipped to you through Moody's Receiving Clerk, you must have the vendor put your name on the shipping label. If it is not possible to have your name on the shipping label then it must be on the packing list that is enclosed in the package. This will ensure prompt delivery of the package directly to you. Please see Section D (following) for further instructions. It is the cardholder's responsibility to ensure receipt of materials and follow up with vendors to resolve delivery problems, discrepancies and/or problems with damaged goods.

### **B. SECURITY PRECAUTIONS**

Care must be taken when using your card, with each mode of purchasing.

1. If purchasing in person, be sure to guard your card and the receipt for record-keeping purposes.

2. If faxing an order, do not put your credit card number on the fax unless it is going to a secure fax machine. If you are not sure the fax is secure, do not fax your number. Instead, on your fax, ask the vendor to call you for your card information.
3. If ordering via the Internet, be careful to insure that the site is secure. If you have any questions about Internet security, or about specific sites, contact ITS.
4. When ordering via telephone it's OK to give your number if the vendor is on the Contract and Preferred Supplier list. If the vendor is not on the list, use care and contact Procurement Services if deemed necessary.

### C. SHIPMENT PROCESSING

Arriving shipments will be processed more efficiently and accurately when you adhere to the following procedures.

- Ask the vendor to include a sales receipt in the package with the filled order or have them email it to you when the order is processed. This will be needed for documentation.
- Ask the vendor to include on the outside packaging label and on the packing list:
  - Your name and Department
  - Address of your location
  - Your phone number

### D. LABEL EXAMPLES

#### Chicago

**IMPORTANT:** If your delivery will be processed through Moody's Central Receiving, be sure it is labeled as follows:

#### **TRUCK (freight) DELIVERIES ONLY**

Your Name Department (or Building/Floor #) <b>845 N. Wells St.</b> Chicago, IL 60610  Phone Number
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#### **ALL OTHER (e.g., USPS, UPS, FedEx, etc.)**

Your Name Department (or Building/Floor #) <b>820 N. LaSalle Blvd.</b> Chicago, IL 60610  Phone Number
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### **Outlying Locations**

The package may be delivered directly to your location.

Your Name
Street Address
City, State Zip
Phone Number

### **VII. CORRESPONDENCE ABOUT ORDERS**

The vendor should correspond directly with you about your purchases. Inform them to send all correspondence and invoices/receipts to your attention to ensure they are not delivered to Accounts Payable, potentially causing confusion. If there is a need for vendors to correspond regarding billing or other related questions that you are not able to answer, please refer them to the Procurement Services Department.

### **VIII. RETURNS AND REFUNDS**

The cardholder is responsible for coordinating returns directly with the vendor, as well as securing the appropriate credit or replacement product. Any return document(s) must be attached to the corresponding Expense Report in Oracle. Be aware that many vendors require an RMA number (Return Materials Authorization Number) to be displayed on the outside of packages returned to them; or they may provide a return label. Be aware that packages without proper Return Authorization will likely be refused by the vendor and no credit will be issued.

All refunds must be in the form of a credit against the same card used for the original purchase. If the vendor will only provide a cash or check refund instead of credit on the credit card account, the cardholder must deposit the funds (at the Treasury Operations Teller window) into the same account number the original transaction was reconciled to and attach an electronic copy of the deposit receipt to its corresponding Oracle expense report.

### **IX. RECORD-KEEPING**

The cardholder is responsible for maintaining transaction documentation for record-keeping and audit purposes. All documents must be attached to their related Oracle Expense Report(s). You may also keep paper copies in your files if desired. Documents should include the following:

- Sales receipts or order confirmations showing itemized transaction totals
- Packing slips
- Credit card sales slips
- Merchandise advertisements
- Copies of all quotes and related email correspondence
- Email confirmation or web site confirmation of Internet orders
- Documentation for returns, replacements, refunds
- Subscription mailing label if no other receipt is available

- Any other information related to the purchase (see the following "Entertainment Expenditures" section)

If the cardholder does not receive an itemized receipt from the merchant, one must be requested. If a receipt is misplaced or impossible to reproduce, use the Missing Receipt form on the [Credit Card web site](#). **These receipts are official Moody records and must be stored either in Oracle, or maintained as hard copies in a secure location such as a locked file cabinet.**

Supporting documentation must be attached to related Expense Reports in Oracle, in accordance with Moody's Document Retention Policy; and each cardholder **will be** subject to periodic audits of these materials. Upon the cardholder's transfer or departure, any paper records will remain in the department and must be maintained by the cardholder's Approver in accordance with the Document Retention Policy.

### **ENTERTAINMENT EXPENDITURES**

Specific information is required by the **IRS** for entertainment expenditures:

- List the name of each person for whom the transaction was made.
- Get a detailed receipt from the vendor listing everything purchased (e.g., products, meals, etc.).
- Describe in detail the business purpose of the transaction.
- Give the location where the transaction was made.
- Provide a detailed description of the transaction.

### **CREDIT CARD RECORD RETENTION POLICY**

- A. The cardholder/reconciler is responsible for physical storage of electronic and any paper records pertaining to his/her card for 5 years. If electronic files are complete and stored in Oracle then paper files are not required.
- B. The cardholder may elect to send some of the paper information to Records Management if there are storage constraints in their local office area. However, this can only be done for documents older than two years; local retention is required for at least the current and previous full year.
- C. It is the cardholder's/reconciler's responsibility to clearly communicate to Records Management the appropriate destroy date on all boxes sent to them for archiving. This destroy date must be five years from the date of the latest records stored in the box. Please ensure the destroy date is after the required five year retention period.
- D. The cardholder/reconciler will be responsible to ensure that their records are maintained and/or destroyed per these guidelines.

## **X. BILLING, PAYMENT, AND ACCOUNT DISTRIBUTION**

- A. Moody is billed regularly for all charges within the previous monthly billing cycle.
- B. All amounts are paid except those in formal "dispute" status with the issuing bank (see "Disputing a Transaction").

- C. Charges for a purchase may be easily distributed to the appropriate account(s) using Oracle. However, this may only be done using accounts falling under the cardholder's authority as defined by his/her Approver and the "Authorized Signature Report." Account numbers falling outside the cardholder's immediate authority must be authorized in writing and in advance by the budget owner for that account.

## **XI. DISPUTING A TRANSACTION**

Any charge may be disputed if it is in error.

- A. If there is a charge that is not recognized, or appears to be incorrect, first contact the vendor and attempt to resolve the dispute.
- B. If an agreement cannot be reached, contact the issuing bank and follow their instructions.
- C. The bank will issue a credit while the transaction is under investigation. If the transaction is found not to be valid the credit will remain; if it is determined to be legitimate they will reinstate the charge.

## **XII. CUSTOMER SERVICE – DECLINED TRANSACTIONS**

The issuing bank's Customer Service representatives are available 24 hours a day. Customer Service handles questions such as "Why was I declined?" There are several reasons a transaction may be declined:

- Over single transaction limit
- Over monthly limit
- Wrong expiration date was entered by vendor
- Wrong CVV entered by vendor (the 3-digit security code on back of card)

If a transaction has been declined, the cardholder can call Customer Service to request the reason why. Using this information, the cardholder will know how to resolve the situation.

- If the reason is that the transaction would cause the account to be over a limit, the cardholder must contact their Approver and Vice President to discuss raising that limit, either temporarily or permanently.
- If a limit needs increasing, the cardholder's Vice President must contact the Credit Card Administrator in writing. (See Section IV. D. Card Limits.) Note: There is an emergency only credit-limit increase available through the issuing bank for travelers during Moody non-business hours.
- If the wrong expiration date was entered, the vendor needs to resubmit the transaction with the correct expiration date.

## **XIII. CARDHOLDER AGREEMENT**

Before you receive your credit card you will be required to sign a Cardholder Agreement. When signing the agreement you acknowledge that:

- You have received a Moody credit card
- Your expenditures will be audited periodically
- Moody may revoke your card at any time
- You will be disciplined for improper card use, up to and including termination and legal action, if appropriate

- As a cardholder, you agree to:
  - ✓ Comply with the cardholder agreement
  - ✓ Treat vendor pricing information as confidential
  - ✓ Use the card for approved purchases only
  - ✓ Keep your card secure
  - ✓ Return your card to Human Resources if you leave Moody or transfer to another department

#### **XIV. CARD MISUSE AND CONSEQUENCES DEFINED**

##### **Examples of card misuse**

- Using the card for personal benefit (e.g., personal purchases, as payment guarantee for personal checks, to make personal travel reservations<sup>1</sup>, etc.)
- Allowing anyone other than yourself to make purchases using your card
- Using the card if you have been suspended or terminated
- Not reviewing and making necessary adjustments before the due date (Reconciling/Approving)
- Buying from non-Contract, non-Preferred, or non-Approved Vendors without permission (excluding exceptions as noted)
- Splitting one purchase into multiple transactions to avoid the card's single-transaction limit

##### **Consequences of card misuse**

When a cardholder has abused their credit card privileges, there may be one or more of the following consequences:

- Verbal warning
- Written warning
- Meeting with Credit Card Administrator and Approver
- Card suspension
- Card termination
- Cardholder suspension
- Cardholder's employment termination
- Legal action

#### **XV. CARD RENEWAL**

The Credit Card Administrator will monitor the expiration date of the card. A new card will be received by the Credit Card Administrator and issued to the cardholder before the expiration date of the old card.

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<sup>1</sup> Limited permission may be granted to business travelers, who will be accompanied by their spouse, to purchase their ticket and reimburse Moody from personal funds. Permission must be granted in writing by the employee's department manager, prior to making reservations, and that document must be attached to the cardholder's Oracle expense report, along with a deposit receipt showing proof of reimbursement at the Teller Services window in Treasury Operations. For additional details, contact the Credit Card Administrator.

## **XVI. ACCOUNT AND CARD MAINTENANCE**

The [Credit Card web site](#) has information and forms to use for maintenance of the card and account. Maintenance forms and information are required for the following:

- Cardholder Name Change
- Credit Limit Changes – an email approving must be submitted by cardholder’s Vice President
- Department Changes – information must be submitted by cardholder’s new supervisor

## **XVII. CARD TERMINATION OR DEPARTMENTAL TRANSFER**

- A. When a cardholder transfers to another department, the cardholder's department is responsible to reclaim the card and return it to the Credit Card Administrator prior to the transfer date. Failure to do so may result in revocation of all departmental card privileges. The department manager is responsible to ensure that the cardholder reconciles all purchases made by the transferred employee before they leave. If this is not possible, then the manager is responsible for making arrangements to have the transactions reconciled by a delegate.
- B. When a credit card is issued, Human Resources will be notified and a record will be kept in the employee's file. At termination, Human Resources will collect the card and return it to the Credit Card Administrator.

## **ADDENDUM A**

### **OVERSEAS TRAVEL**

Under normal circumstances, transactions must be reconciled and approved within the normal 5 business days, even while traveling. However, if Internet service is not available or unreliable, the required reconciliation and approval time can be extended to 5 business days after returning from overseas; but, notice must be provided by email to the Credit Card Administrator two weeks before departure, indicating the date leaving and the date returning from overseas.

## **ADDENDUM B**

### **SETUP AND USE OF OTHER BUSINESS CREDIT CARDS**

Only the Moody Credit Card can be used for business purchases, except where prior approval has been specifically granted by Senior Management in order to meet a special need.