

Debit Card Use Policy for Officers

Montezuma Valley Volunteer Community Service Organization (MVVCSO)

Effective Date: June 28, 2025

Purpose

This Debit Card Use Policy establishes guidelines for MVVCSO officers issued debit cards linked to the organization's bank account. It ensures responsible, transparent, and compliant use of funds in alignment with MVVCSO's 2025 bylaws, particularly **Article V, Section 1** (officer roles) and **Article IV, Section 7** (financial authorizations). The policy supports MVVCSO's mission to serve the Ranchita community by promoting financial integrity, transparency, and accountability.

Scope

This policy applies to all MVVCSO officers (Vice President, Secretary, Treasurer, and any Vice roles) issued debit cards for organizational purposes. The sitting Board President is prohibited from accessing the Treasury, including being a signer or holding a debit card, except for depositing donations or grant funds, unless they are the sole remaining Director due to mass resignation, catastrophic accident, or unforeseen circumstances (Article IV, Section 7).

Policy Guidelines

1. Authorization and Issuance

- Debit cards may be issued to officers by a majority vote of the Board of Directors, as authorized under **Article IV, Section 2A** (Board's power to manage MVVCSO's affairs).
- Only officers in good standing, as defined by the Board's publicly available policy (Article III, Section 3C), are eligible.
- Each officer must sign an acknowledgment of this policy, maintained by the Secretary (Article V, Section 3).
- Cards are issued in the officer's name, linked to MVVCSO's bank account, and remain MVVCSO property.

2. Permitted Uses

Debit cards may be used for:

- **Operational Expenditures:** Routine costs (e.g., utilities, food bank supplies) up to \$300 per instance, with a monthly cap of \$900, unless pre-approved by the Board (Article IV, Section 7A).
- **Emergency Expenditures:** Up to \$1,000 per instance in emergencies, with written justification submitted to the Board within 48 hours (Article IV, Section 7A, Article VIII).
- **Grant-Funded Purchases:** Expenses tied to approved grants, as overseen by the Grant Committee (Article VI, Section 1B).
- **Program Support:** Community programs or services (e.g., accessibility materials, volunteer program costs) approved by the Board (Article XIII, Article XIV, Article XV).
- Major expenditures exceeding \$10,000 require majority Voting Member approval, unless part of a pre-approved grant-funded or Board-approved project (Article IV, Section 2C).
- All purchases must align with MVVCSO's mission and comply with the California Nonprofit Integrity Act (Article VI, Section 1A).

3. Prohibited Uses

- Personal expenses, including meals, travel, or non-MVVCSO-related items.
- Cash withdrawals or cash advances.
- Expenditures exceeding authorized limits without Board approval.
- Purchases creating a conflict of interest, per the Conflict of Interest Policy (Article IV, Section 6).
- Any use not explicitly authorized by the Board or this policy.

4. Transaction Limits

- **Per-Transaction Limit:** \$300, unless pre-approved by the Board or tied to emergency or grant-funded expenses (Article IV, Section 7A).
- **Monthly Limit:** \$900 per officer, excluding recurring payments or pre-approved items (Article IV, Section 7A).
- **Emergency Limit:** Up to \$1,000 per instance, with a monthly cap of \$10,000 organization-wide, subject to Board ratification within 30 days (Article IV, Section 7A, Article VIII).
- Transactions exceeding these limits require prior Board approval via resolution (Article IV, Section 2A).

5. Documentation and Reporting

- Officers must submit receipts and a completed **Debit Card Transaction Form** (see below) to the Treasurer within 7 days of each transaction, detailing the purpose, date, amount, and budget category (Article V, Section 3).
- The Treasurer shall review and include transactions in monthly financial reports, published within 14 days via public postings (food bank, community bulletins, online, with large-print and screen-reader-compatible formats) (Article IV, Section 7A, Article XV).
- Emergency expenditures must include written justification, reported to Voting Members within 14 days (Article IV, Section 7A, Article XVI).
- All records are maintained at the principal office and open to Voting Members with 7 days' notice, per Article VII, Section 2, ensuring CCPA compliance.

6. Approval Process

- Routine expenditures up to \$300 do not require prior approval but must be documented (Article IV, Section 7A).
- Expenditures between \$300 and \$1,000 (non-emergency) require prior approval from the Treasurer or President, recorded in Board minutes (Article V, Section 3).
- Emergency expenditures up to \$1,000 require post-transaction justification and Board ratification within 30 days (Article IV, Section 7A).
- Major expenditures over \$10,000 require a community forum, 14 days' notice, and Voting Member approval, unless pre-approved (Article IV, Section 2C).

7. Accountability and Oversight

- The Finance Committee shall conduct quarterly reviews of debit card transactions to ensure compliance (Article VI, Section 1A).
- Suspected misuse shall be investigated by the Ethics Committee, with findings reported publicly (excluding confidential details) (Article VI, Section 1D).
- Officers must disclose conflicts of interest and recuse themselves from related purchases (Article IV, Section 6).
- Failure to comply may result in card suspension, repayment of unauthorized expenses, or officer removal per Article IV, Section 4, and California Corporations Code §§ 5221-5223.

8. Card Security and Return

- Officers are responsible for securing their debit card and reporting loss or theft to the Treasurer and bank within 24 hours.
- Upon resignation, removal, or term expiration, officers must return the card to the Treasurer within 7 days (Article V, Section 3).
- The Treasurer shall deactivate cards of non-serving officers immediately.

9. Emergency Protocols

- In crises, officers may use debit cards for emergency expenditures up to \$1,000 per instance, reported to the Board and Voting Members within 14 days (Article VIII, Article XVI).
- If only one Director remains, they may authorize operational or emergency expenditures within limits (Article IV, Section 7A).
- Completely vacated Board scenarios defer to Emeritus Board Members, with spending limited to operational needs until quorum restoration (Article IV, Section 7B).

10. Transparency and Accessibility

- This policy shall be posted within 7 days at the food bank, community bulletins, and online (if available), with large-print and screen-reader-compatible formats, per Article XV.

- Transaction reports and policy updates are accessible to Voting Members with 7 days' notice, ensuring compliance with the Americans with Disabilities Act and California Civil Code § 51 (Article XV).
- The annual report shall summarize debit card usage, certified by the President, Secretary, or a CPA (Article VII, Section 3).

11. Enforcement

- Non-compliance may result in:
 - Immediate card suspension by the Treasurer or Board.
 - Repayment of unauthorized expenses.
 - Disciplinary action, including removal, per Article IV, Section 4.
 - Referral to legal authorities for fraudulent use, per California law.
- The Ethics Committee shall handle whistleblower complaints confidentially, with protections per Article XI.

12. Policy Review

- This policy shall be reviewed annually by the Finance Committee and Board, with updates approved by a majority Board vote and posted publicly within 7 days (Article VI, Section 1A, Article XV).
- Voting Members may propose amendments via the Annual General Meeting or special meeting (Article VIII).

Acknowledgment

Officers issued debit cards must sign below, acknowledging understanding and agreement to comply with this policy.

Signature: _____ **Date:** _____

Printed Name: _____ **Officer Role:** _____