



# Charge & Credit Card Policy

Policy & Procedure Number: 77

Date of Board of Trustees' Review: 13<sup>th</sup> May 2021

Next Review Due: 13<sup>th</sup> May 2024

Trust Link: Mr S Robertson

Revision Number: v2

## **I STATEMENT OF INTENT – CHARGE & CREDIT CARD POLICY**

- 1.1 Increasingly in order to achieve value for money the school may be offered an opportunity to purchase goods or arrange for services for the school from companies that shall not invoice but shall only accept a direct payment. In order to make use of these offers the Trust and School holds credit cards for authorised users. The Principal Accountant will ensure that that there is budgetary provision for all purchases and that there is a sufficient balance available in the bank to cover the expenditure.
- 1.2 The credit cards are issued by the school's main bank provider HSBC.
- 1.3 The overall control of the card usage is to be monitored and maintained by the Chief Finance Officer using the administrative function. The Chief Finance Officer will not have a card in order to maintain segregation of duties.
- 1.4 No changes to arrangements listed below will take place without further consultation with the Chief Finance Officer.
- 1.5 This policy will be reviewed as it is deemed appropriate, but no less frequently than every 3 years by the Trustees'. The policy will be promoted and implemented within each Academy.

## **2 ELIGIBILITY:**

- 2.1 The distribution of cards is made on the basis of need across appropriate staff in each Trust member school.
- 2.2 The Chief Finance Officer will approve any applications directly. Relevant updates will be made as appropriate. The Trust has the final decision in cardholder eligibility and no cards will be issued unless approved.



### 3 LIMITS:

- 3.1 Limits of credit for each card are to be set individually according to need. A record will be maintained by the Trust and the total maximum limit for all cards across the Trust is £15,000 per month.
- 3.2 Requests submitted via an authorised budget holder order on a proforma up to £1,000 and must be countersigned by person holding relevant School Business Manager or Principal.
- 3.3 Monthly limits to be set from £500 to £2000 depending on nature of card holder.

### 4 CARD ISSUE

- 4.1 The card will be issued by HSBC Bank.
- 4.2 Each card issued will be in the name of the individual on behalf of The Wade Deacon Trust and each card will have a different code number for ease of identification.
- 4.3 Each member of staff who has a card issued to them is to be made aware of the limit of their individual card. They must sign an agreement which states they understand the conditions of issue.
- 4.4 Any staff member who has been issued with a card and subsequently terminates their employment with The Wade Deacon Trust must return their card which will be destroyed on receipt.
- 4.5 Any staff member who is found to be mis-using the card in any way will have the card removed from them and appropriate action taken, i.e. a report will be made to the Board for them to act on.
- 4.6 “chip and pin” transactions, a PIN number will be issued to the individual card holder for their exclusive use and should not be disclosed.

- 4.7 Lost or stolen cards must be reported immediately to the Chief Finance Officer and Bank directly by the card holder.

All authorised users of the Charge card shall sign to accept that they have personal responsibility for transactions made on the card which are not conducted with the approval of the school in accordance with this policy.

## **5 SEPARATION OF DUTIES IS FULFILLED BY THE FOLLOWING:**

- 5.1 If staff require goods via the internet they must liaise with the Finance Department to place the order on line providing they have sufficient budgetary provision and get the budget holder to authorise the purchase
- 5.2 The Finance Team records expenditure on the schools accounting system
- 5.3 The School Business Manager must reconcile direct debit on bank account statement against credit card statement; or if applicable the debit entry on the bank statement created via use of the debit card.
- 5.4 The Chief Finance Officer will review all statements each month to ensure the policy is being followed.

## **6 PROCEDURES: CARD USE**

- 6.1 The primary method of payment remains invoicing and this shall generally be used in preference to card purchases where such is offered by the supplier.
- 6.2 Use of the card is at the discretion of the holder, however receipts for any purchases must be submitted (VAT receipts where applicable) to the relevant Finance Office for reconciliation.
- 6.3 No cash withdrawals are allowed from the charge/credit card.
- 6.4 No personal purchases are to be made on the card.



- 6.5 Each card shall be stored securely by the holder and ideally in each school safe when not in use
- 6.6 In the event of loss of the pin number the bank will be able to provide cardholders only with the information.
- 6.7 The card transaction should be entered in the accounts as soon as possible, to ensure the completeness of the accounting records and ready to be reconciled when the bank statement reaches the school.
- 6.8 All payments shall be authorised by the relevant budget holder or Principal
- 6.9 All orders placed using the Charge cards must only be placed by authorised Finance Staff and then only if they have the written approval of either the budget holder or Principal Finance officer in the form of a signed purchase order.
- 6.10 Cardholders shall be made aware of the action to take in the event of a card being stolen, lost or missing
- 6.11 A VAT (if applicable) receipt must be obtained
- 6.12 Cardholder must present the receipt for goods/service to the Finance Office
- 6.13 Purchasing records must allow correct coding in accounts
- 6.14 All orders must be delivered to the school address
- 6.15 If online ordering using the security code the cardholder must have a purchase order signed in advance by the Budget Holder.

## **7 PROCEDURES: CARD REPAYMENT**

- 7.1 All credit cards are linked to the relevant HSBC Bank current account and will be paid off in full monthly by a direct debit charge.



- 7.2 Any discrepancy in the account will be investigated by the relevant Finance Office in the first instance and then referred to the Chief Finance Officer if necessary.
- 7.3 Copies of signed statements should be retained with financial records for 7 fiscal years. This can be electronically



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