

DIOCESE OF
ST ALBANS
MULTI-ACADEMY TRUST

Business Charge Card Policy

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| Policy type | Trust Core Policy |
| Adopted by the Trust Board | 27 th April 2017 |
| For review | April 2020 |
| Person responsible | Chief Operating Officer |

This policy is a mandatory policy for all DSAMAT Academies and must be implemented with no amendments.

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1. Introduction

- 1.1 From time to time the academies within the Trust may be offered the opportunity to purchase goods or arrange services from companies which will not invoice, but only accept a direct payment. Typically, this will apply to online purchases. In order to make use of these offers and purchasing methods the Trust allows the use of Business Charge Cards.
- 1.2 When using a Business Charge Card it is the responsibility of each academy to ensure that there is budgetary provision for these purchases.
- 1.3 If time is of the essence, an academy, providing they can ensure that there is sufficient budgetary provision to cover the expenditure, can ask the Finance Manager or Business Manager of the academy, to use his/her card to make an online/telephone purchase on their behalf, in the supervision of the Academy Finance Office.

2. Process

- 2.1 The primary method of purchasing will always be via ordering and invoicing, and this method should always be used in preference to card purchasing where this method is offered by a supplier.
- 2.2 The Chief Operating Officer of the Trust may authorise any one of the following to be a cardholder:
 - Principal
 - Vice Principal
 - Senior Leader
 - Finance Manager
 - Person responsible for the minibus (Petrol card only)
- 2.3 The Business Charge Card will be issued by the Trust's bank (currently Barclays).
- 2.4 In the event of the loss of the PIN number the bank will provide a new PIN to the cardholder only.
- 2.5 Should the card be lost or stolen, the loss shall be reported immediately to the Principal, Chief Operating Officer and the Police (in the event of theft) and the issuing bank.
- 2.6 Should fraud or misuse be suspected the bank should be informed immediately so that appropriate action can be taken and the Trust's Fraud Policy will be invoked.
- 2.7 The Business Charge Card limits are as follows:
 - Principal – £3000 - £5000
 - Vice Principal - £3000 - £5000
 - Senior Leader - £3000 - £5000
 - Finance Manager - £3000 - £5000
 - Person responsible for the minibus - £100 (petrol only)

- 2.8 The Business Charge Card balance shall be settled each month by direct debit. Any other method could be construed as borrowing by the Secretary of State for Education and this is strictly forbidden without his/her written permission.
- 2.9 The Business Charge Card transaction should be entered into the academy accounting system (currently PS Financials) as soon as possible to ensure completeness of the Trust accounts and ready to be reconciled when the bank statement is downloaded at the end of each month.

3. Authorisation

- 3.1 All receipts shall be authorised by the budget holder and checked and countersigned by the Finance Manager or Principal.
- 3.2 Receipts for purchases of petrol on the Business Charge Card shall be countersigned by the Finance Manager or Principal.
- 3.3 Receipts for purchases on the Finance Manager's Business Charge Card shall be countersigned by the Vice Principal or Principal.
- 3.4 Receipts for purchases on the Principal's Business Charge Card shall be countersigned by the Finance Manager or Chair of RAEB/Academy Council.
- 3.5 The cards shall not be used for personal expenditure under any circumstances.
- 3.6 Cash withdrawals are not permitted.
- 3.7 All cardholders shall sign to accept that they are personally liable for transactions on "their" card which are not conducted with the approval of the Trust and in accordance with this policy.
- 3.8 All cardholders shall authorise the Trust to recover the cost of any unauthorised transactions not conducted in accordance with this policy.
- 3.9 In such circumstances, where reimbursement is not received voluntarily, the Trust reserves the right to make a salary deduction of the unauthorised amount.
- 3.10 All cardholders shall be made aware of the procedure to follow in the event of the card being lost or stolen or going missing.
- 3.11 All cardholders shall be made aware of the procedure to follow in the event of the PIN number becoming known to another party.

4. Procedure for Use

- 4.1 A VAT receipt (if applicable) must be obtained for all Business Charge Card purchases.
- 4.2 The cardholder must present valid receipts for all Business Charge Card expenditure to the Finance Manager immediately after purchase.
- 4.3 All orders must be delivered to the academy address.

4.4 A requisition order signed by the budget holder, must be provided for purchases.

5. Separation of Duties

5.1 If non-card holding staff require goods via the internet they must provide a requisition order, signed by the budget holder to the Finance Manager.

5.2 Purchases for petrol on the Business Charge Card shall be authorised by the Finance Manager.

5.3 Purchases on the Finance Manager's Business Charge Card shall be authorised by the Principal.

5.4 Purchases on the Principal's Business Charge Card shall be authorised by the Finance Manager or Chair of RAEB/Academy Council.

5.5 The transaction is recorded on the academy accounting system by the Finance Manager.

5.6 On receipt of the Business Charge Card statement the Finance Manager shall reconcile the receipts with the statements and shall reconcile the Business Charge Card statement against the bank account.

5.7 The Principal shall verify and sign the monthly bank reconciliation statements that have been prepared by the Finance Manager.

6. Monitoring and Review

6.1 The Trust has delegated to the Finance & Operations Committee the responsibility for reviewing the implementation and effectiveness of this policy. The Trust will approve all major changes to this policy. The policy will be promoted and published throughout the Trust.

6.2 The policy will be reviewed every three years or if there are changes to the relevant legislation.