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# CHARGE CARD POLICY

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**RÆDWALD**  
T · R · U · S · T

RATIFIED BY THE TRUST BOARD IN:  
DECEMBER 2019

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**NEXT REVIEW DATE: SEPTEMBER 2020**

December 2019



## CHARGE CARD POLICY

<b>Person responsible for this policy:</b>	Angela Ransby
<b>Policy author:</b>	Debbie Spencer
<b>Date to Trust Board:</b>	December 2019
<b>Date Ratified:</b>	December 2019
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<b>Policy displayed on website:</b>	Yes

<b>CEO Signature:</b>	Angela Ransby
<b>Trust Board Signature:</b>	Roger Fern

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### 1. Introduction

The C.E.O. has approved the use of the Business Charge Card.

From time to time the academy may be offered an opportunity to purchase goods or arrange for services for the academy from companies that shall not invoice but shall only accept a direct payment. In order to make use of these Best Value offers the academy holds a Business Charge Card. The C.E.O. will ensure that there is budgetary provision for all purchases and that there is sufficient balances available in the bank to cover the expenditure.

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.

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The C.E.O. may authorise any one or more of the following to be a cardholder: Headteacher, Deputy Headteacher, Trust Business Manager.

The Business Charge Card shall be issued by Lloyds Bank, the academy's bankers.

Each card shall be stored in one of the academy safes when not in use.

The PIN number for each card shall be known only by the cardholder and not disclosed to anyone else or written down.

In the event of loss of the pin number the bank will be able to provide the cardholders only with the information.

Should the card be lost or stolen the loss shall be reported by the cardholder to the issuing bank, the police, the Trust Business Manager and the C.E.O. immediately.

Should fraud or misuse be suspected, the bank should be informed immediately, so that the appropriate action can be taken.

The Business Charge Card shall have a spending limit of £5,000 controlled by the bank (£5,000 limit on each card).

The Business Charge Card balance shall be settled in full automatically each month by direct debit thereby avoiding interest charges.

The Business Charge Card transaction should be entered in the accounts as soon as possible with the Business Charge Card authorisation number, to ensure the completeness of the accounting records & ready to be reconciled when the bank statement reaches the academy.

All receipts shall be authorised by either the Headteacher, Chair of Governors or a designated person.

The cards shall not be used for personal expenditure under any circumstances.

Cash withdrawals are not permitted.

All authorised cardholders shall sign to accept that they have personal responsibility for transactions on "their" card which are not conducted with the approval of the academy in accordance with this

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policy. Refer to example Consent Form below.

Cardholders shall also authorise the academy to recover the cost of any unauthorised transactions and where reimbursement is not received then the academy is authorised to make a salary deduction for the unauthorised amount.

Cardholders shall be made aware of the action to take in the event of a card being stolen, lost or missing.

Separation of duties is fulfilled by the following:

- If staff require goods via the internet they must liaise with the Finance Officer to place the order on line providing they have sufficient budgetary provision and get the Headteacher to authorise the purchase.
- The Finance Officer authorises the purchase order and the use of the card offsite.
- Cardholder makes purchase.
- The Finance Assistant records expenditure on the academy's accounting system.
- The Headteacher authorises receipt of transaction submitted by cardholder
- Finance Assistant to reconcile direct debit on bank account statement against Business Charge Card statement; or the debit entry on the bank statement created via use of the Business Charge Card.

## **2. Purchases under £200**

- May be off-site.
- When using the Business Charge Card the money will be taken from the bank account once the purchase is complete although the goods have not been received.
- A purchase order shall be completed promptly and must be given to the Chief Executive Officer for authorisation.
- The Finance Officer enters the official order onto the Accounting System and will confirm that there is a sufficient cash balance at the bank to cover the expenditure.
- Print off the order confirmation immediately which must be coded and authorised and posted as a direct payment onto the accounting system.
- A VAT (if applicable) receipt must be obtained.
- Cardholder must present the receipt for goods/service to the Finance Officer.
- A copy of the purchase order must be given to the budget holder.
- Purchasing records must allow correct coding in accounts.

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### **3. Purchases over £200**

- Must be ordered on the academy premises
- Telephone orders are not permitted.
- The official order is to be signed by the authorised official signatory. The Finance Officer enters the official order onto the Accounting System and will confirm that there is a sufficient cash balance at the bank to cover the expenditure.
- All orders must be delivered to the academy address.
- If online ordering using the security code the cardholder must have a purchase order signed in advance by the Headteacher/CEO.
- A VAT receipt must be obtained
- Must have record of receipt of goods/service at academy, i.e. delivery note.
- The Finance Officer will de-commit the official order and enter the expenditure onto the accounting system to ensure that the academy's cash flow is correctly monitored.

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## CARDHOLDER CONSENT FORM

I consent to be a cardholder on the following debit account held by Raedwald Trust [“the Academy”]

Business Charge Card Issuer: \_\_\_\_\_

Card Number: \_\_\_\_\_

I confirm that I have read the Raedwald Trust Debit Card Policy [“the Policy”] and that I will abide by its terms and conditions.

In particular I acknowledge and agree that:

I will use the account only to purchase items/services on behalf of the Academy and not use the account for any personal expenditure

I will only purchase items/services in accordance with the Policy.

I will take care of the card whilst in my possession to avoid its loss or theft.

I will not disclose to any other person, or write down, the Card PIN number.

I will only use the Card security number for online purchases where a security number is requested and only on a secure (indicated by padlock symbol) Internet website

I will not use the Card to withdraw cash

I understand that upon discovery of loss or theft of the Card, I must as soon as possible notify:

the issuing bank; and

the Trust Business Manager or Headteacher; and

the police (only in the event of theft)

I understand that I am personally liable for all charges on the Account which relate to transactions which have not been conducted in accordance with the Policy.

I accept that I must reimburse the Academy promptly should I cause the Account to incur any unauthorised charges [“Unauthorised Charges”] and in the absence of prompt reimbursement, I authorise the Academy to recover all unauthorised Charges by deduction from any amounts otherwise owing to me by the Academy, including but not limited to salary and expenses.

I agree that, when not required for purchases, I will return the Card for safekeeping in the Academy safe, to either the Office Manager.

I agree that if I cease to be employed by the academy I will return the card to the Headteacher

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<b>Agreed by</b>	<b>Authorised by</b>
Name :	C.E.O. :
Date	Date
Signature	Signature