



An Daras Multi Academy Trust Business Charge Card Policy

The An Daras Multi-Academy Trust (ADMAT) Company

An Exempt Charity Limited by Guarantee

Company Number/08156955

Status: Approved	
Recommended	Yes
Statutory	
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Advisory Committee	FSD
Linked Documents and Policies	-

Introduction

The Directors recognise that there are occasions when the Academies within An Daras Trust are required to make payment for goods and services through the internet or by telephone.

To address this situation the Board of Directors have approved the use of Business Charge Cards (Purchase Cards).

The primary method of payment remains invoicing and this should generally be used in preference to card purchases where the supplier offers such. Where possible the finance offices will seek to establish trade accounts with local suppliers. The Purchase Card is intended for use on an exceptional basis only.

The Board has delegated the operation of purchase cards to key staff across the Trust. The operation of the card is governed by the Framework set out in Appendix 1.

- Business Charge Cards are issued by Lloyds Bank.
- Card balances are settled in full monthly by direct debit from the Trust bank account. The limit for the each card is £500.
- The card shall not be used for personal expenditure/cash withdrawal under any circumstance: failure to observe this will lead to the card being withdrawn and possible disciplinary action.
- Supporting receipts and transaction details will be maintained for each purchase card and authorised in accordance with the procurement procedures of the Trust. Transactions will be entered on the management system and reconciled monthly.
- Orders must be delivered to individual academies and under no circumstance can goods/services be delivered to a home address.
- All authorised Purchase Card Holders must sign to accept that they have personal responsibility for transactions on 'their' Purchase Card and card must not be loaned to any other person in any circumstance. If any unauthorised purchases are made, then the Trust has the authority to recover the cost of these transactions, either by personal payment from the Purchase Card Holder or by salary deduction for the unauthorised amount. Appendix 2.
- Business charge cards must be kept in a locked drawer in the academy office and not taken off site.

Appendix 1

FRAMEWORK FOR INTERNET PURCHASING WITH LLOYDS BANK BUSINESS CHARGECARD (PURCHASE CARDS)

- *This framework is in addition to the normal rules governing purchasing*
- *If you have previously used a company some of these rules do not apply*
- *There must be a requisition system in place before purchasing online*

- The cardholder makes the card transaction via the telephone or internet
- An Academy requisition form must be completed promptly and must be authorised by the official signatory/ies as per Scheme of Delegation
- Cardholders must get the total price including p&p and delivery charges, check availability and confirm the delivery date. Supplier's terms and conditions should be read carefully prior to undertaking a purchase to ensure they are acceptable to the Academy. Ensure you are clear on the delivery and returns policy, that you can return unsatisfactory items and whether you will get a refund or merchant credit before completing the online transaction.
- Purchase card holders must not split transactions (where the cost of goods or services exceed this limit) to avoid transaction limit control.
 - *Problems with supplies*
 - The Purchase card holder should advise discrepancies or other problems with the goods supplied immediately to the supplier, and problems must be resolved by them directly to enable the Purchase Card Holder to retain control of the transaction. If there are any items under dispute with the supplier they should be clearly marked as such in the log.
 - *Receipt of goods*
 - Purchase Card Holders should notify other staff when delivery is expected so that the delivery can be checked against what was ordered and signed for.
 - If damaged or incorrect goods are received the Purchase Card Holder must contact the supplier and arrange for replacement or return. In this case the Purchase Card Holder must request that the supplier credits the Purchase Card account. Credits should be recorded in the transaction log and the Purchase Card Holder must ensure that they appear on the next monthly statement.
 - *Internet purchases*
- Purchases over the internet must only be used where the goods or services cannot be effectively or economically obtained via traditional methods, and the academy feels best value is being achieved. Card holders must never buy from a company whose trading name is not featured on its website.
- Keep a record of the retailer's contact details which should be a physical location rather than a PO Box and a non-mobile telephone number. Only use UK sites as there are VAT implications for trading overseas.

- Check the privacy and security policies to ensure your details are safe, i.e. that there is an encryption facility. When entering a secure area (i.e. when disclosing purchase card number). You should see all or some of the following; 'http' of the web address changes to 'https', a padlock icon appears on the screen, and /or a security message alert. Additionally, traders who subscribe to an online code will display a recognised logo, i.e. TrustUK Hallmark demotes an approved webtrader.
- Internet orders must only be processed on an academy computer that is linked to the Internet through a firewall.
- Purchase card payment information must not be sent to a merchant via email or instant messenger.
- Purchase Card Holders must never give personal details that are commonly used for identification over an insecure internet connection.
- When orders are placed with the supplier and order confirmation will usually be displayed or an email received. This must be printed off and kept with the authorisation to purchase (along with all transaction documentation and associated emails).
- Ensure you are fully aware of the payment commitments you are entering into, including whether you are entering into a single payment or series of recurring payments, and whether the price includes tax, packaging and delivery.
- Purchase Card Holders must not click on online shops in emails, as they may link to fraudulent sites, and addresses should be typed manually.
 - *VAT issues*
 - VAT rules still apply to purchases made using the Purchase Card therefore VAT receipts must be obtained. Please inform suppliers that they should be sending VAT invoices/receipts to the academy.
 - *Potential transaction issues*
 - Card declined – check you have not exceeded the transaction/monthly card limit.
 - *Record keeping, Payment of the bill and Reconciliation*
 - There must be a clear segregation of duties between the Purchase Card Holder incurring expenditure and the officer reconciling and authorising the monthly statement.
 - Statements must be addressed and sent to the Trust Central Office.
 - The Purchase Card balance must be settled in full automatically each month by direct debit thereby avoiding Purchase Card interest charges.
 - *Security*
 - The pin number for each Purchase Card shall be known only by the cardholder and not disclosed to anyone else or written down. No Purchase Card Holder within the academy is allowed to change their PIN to anything obvious e.g. DOB/School telephone number or the same PIN as other Purchase Card Holders. In the event of loss of the PIN number the bank will be able to provide the Purchase Card Holders only with the information.
 - Expired cards must be cut up into pieces and disposed of. This should be witnessed by the Card Holder and office staff.

Appendix 2

FLOWCHART FOR OPERATION OF ACADEMY CHARGE CARD

