



Commercial Cards

Date Implemented: 1 September 2018

Date Last Reviewed: October 2017

Date Governing Body Approved:

Review Period: Annually

Staff Responsibility: Stephen Hault-Allen

Date for Next Review: August 2019

1. Purpose, Scope and Objectives

- 1.1 From time to time Collett, FHEC and St Luke's 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 credit or debit payment. In order to make use of these Best Value offers the school holds a credit card. The Executive Head/Headteacher will ensure 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 This policy has been written and approved by the Governing Body to ensure that any purchases using a credit card adhere to the procurement procedures of the school, the Schedule of financial Delegation and provide value for money.
- 1.3 The Governing Body agrees that it has a responsibility to ensure that credit card expenditure incurred by the School must clearly be linked to the business of the School. The Governing Body has agreed on the fundamental principles of this policy, and has delegated responsibility for the implementation and monitoring of this policy to the Executive Head/Headteacher. The Executive Head/Headteacher may, from time to time, further delegate some of their responsibilities to the Head of Operations and/or Bursar.
- 1.4 The Chair of Governors may authorise any one or more of the following to be a cardholder: Executive Head, Headteacher, Head of Operations, School bursar.

2. Staff Nominated as Cardholders

Name:	Stephen Hoult-Allen	Hugh Bucknell	Jamie Caple
Position:	Executive Head The Collett	Director of FHEC	Head of St Luke's
Card Limit:	£2,000	£1,000	£2,000

3. Purposes for Which the Card Can Be Used

- 3.1 Commercial Cards are a facility to pay for goods and services more efficiently. They do not give an automatic approval to spend budget and therefore approvals for spending on a commercial card within delegated limits should always be sought prior to the undertaking of spending.
- 3.2 The Collett, FHEC and St Luke's, aim to make all purchases from suppliers that offer the best value for money and place orders through predefined process. In order to facilitate online orders through suppliers that the Schools do not have credit accounts with and in order to ensure we are compliant with the best value the Schools require a credit card.
- 3.3 The primary method of payment for the Collett, FHEC and St Luke's remains invoicing and this shall generally be used in preference to card purchases where such is offered by the supplier. The School's commercial card should only be used in the following instances:
 - For use where items cannot be ordered through the school's normal procurement method or where doing so does not offer best value;
 - For internet purchases where the supplier will only accept payment with the order;
 - For regular purchases of a minor nature that would otherwise require reimbursed through the petty cash system (i.e. items of a repair and maintenance nature);
 - Other, e.g. trips, where suppliers will not accept school orders, etc.

Under no circumstances should personal items be purchased using School cards.

3.4 The credit card balance shall be settled in full automatically each month by direct debit thereby avoiding credit card interest charges.

4. Roles and Responsibilities

4.1 Staff

4.1.1 If staff require goods that can only be purchased via debit/credit card either via the internet or offsite, then they must provide evidence that they have researched the best value for money to the budget holder, the Headteacher, Head of Operations and/or Bursar.

4.1.2 On approval by one of the above, a completed order form should be sent to the Head of Operations/Bursar to place the order.

4.2 Bursar/Cardholder

4.2.1 When ordering goods on behalf of other budget holders the cardholder/Bursar should obtain an approved requisition or order from the member of staff to confirm this request. This evidence should be stored with the transaction information.

4.2.2 At the point of sale the cardholder should request a VAT receipt showing any VAT as a separate amount. This will enable the VAT to be reclaimed. All receipts and supporting documentation should be passed to the Bursar at the earliest opportunity.

4.2.3 If the purchaser/Bursar does not provide receipts or other documentation to support the transaction, then this may be viewed as misuse of the card. This could result in disciplinary procedures being followed and the purchaser may also become personally liable. In this instance the purchaser would be required to reimburse the school.

4.2.4 The Bursar records expenditure on the schools accounting system and will reconcile the direct debit on the bank account statement against the credit card statement; or the debit entry on the bank statement created via use of the debit card.

4.2.5 Each month the cardholder/Bursar is responsible for checking the monthly statement for the card and after all transactions have been checked the cardholder/Bursar must sign and date the commercial card statement and file for review by the HfL finance service and/or the Head of Operations.

4.2.6 The Bursar has the responsibility for ensuring that on receiving the Credit Card Statement they have the following documentation to support every transaction and verify payment:

- Signed requisition/order giving approval to spend;
- Signature for receipt of goods/Signed Delivery note;
- VAT Receipt/Electronic printed receipt if internet purchase, which agrees with the credit card statement.

5. Restrictions On Use of Cards

- 5.1 The card will be used solely for school business and not for personal use. Financial limits have been set at £500.00 for a single transaction and £2,000.00 for the monthly expenditure limit thus safeguarding both the School and the individual. Any changes to these limits up to an amount of £2,000.00 will need to be approved by the Executive Head.
- 5.2 Transactions over this limit will have to be approved by the Governing Board prior to any transactions being processed or purchases made.

6. Card Misuse Commercial Cards Policy and Procedures

- 6.1 If there is misuse of a card, following an investigation, the cardholder/purchaser (and any other suspected of being party to the misuse) may be subject to the school's disciplinary procedures and sanctions, including permanent or temporary withdrawal of the Card.
- a) Any goods acquired through the misuse of a Commercial Card will be dealt with by one of the following methods: The goods will become the property of the cardholder/purchaser (if in the opinion of the school the goods cannot be used in current operations). At this point, all risks and associated costs such as storage and handling become the responsibility of the cardholder/purchaser. The school must be reimbursed within five days. Reimbursement will be made by way of a cheque payable to the school. The cardholder/purchaser will not be allowed to remove the goods until receipt of payment has been confirmed (i.e. any cheques have cleared). Goods will then be removed by the cardholder/purchaser within three working days, after which the school reserves the right to make charges for their storage and to dispose of any goods not removed within thirty days, retaining the proceeds to offset any costs incurred by the school. If this results in a loss to the school, the employee will be required to make this good within five working days of notification. If full payment is not made within this period, the school may at its discretion make the appropriate deduction from the employee's next salary payment.
 - b) The goods will be returned to the supplier for full credit. The employee must cover any restocking charges or other return fees by reimbursing the school by cheque within five working days.
 - c) The school may, at its sole discretion, retain the goods if they can be used in normal operations.
- 6.2 The imposition of sanctions and disposal of goods will be determined by agreement between the Executive Head and relevant Headteacher in accordance with the school's disciplinary procedures.

7. SECURITY OF CARD

- 7.1 The card is retained by the Bursar and is issued by her when required. The card is signed out by the purchaser and signed in on return. The card **must** be returned to the Bursar promptly after use.
- 7.2 The card will be stored as securely as possible when not in use and will never be left unattended. The card number and PIN will be stored in the safe and misuse of the card may result in disciplinary action, which will be dependent upon the nature of the breach of the policy.

- 7.3 Should fraud or misuse be suspected, then this should be reported to the bank and HfL Financial Services immediately so that the appropriate action can be taken.
- 7.4 Expired cards must be cut up into pieces and disposed of by the Bursar. The Head of Operations and office staff should witness this.
- 7.5 In the event that the card is lost or stolen, the cardholder must take the following steps immediately:
- a) Contact the card provider Natwest One Card
 - b) Confirm in writing to: Karen Gibbs, SERCO Post point CHN501, County Hall, SG13 9BD.
sccpurchasingcard@rbs.co.uk.
 - c) Advise any suppliers of recent transactions that the card has been cancelled.