

Business Charge Card Policy

Monitoring and review

Staff responsible	:	Chief Finance Officer
Committee responsible	:	Finance and Resources Committee
Links	:	Finance Policy
Date approved	:	March 2018
Review date*	:	March 2021

*Please note that should any further national guidance be issued by external agencies that are relevant to this policy, it will be updated accordingly prior to the review date shown above and re-circulated.

The Boleyn Trust Board of Trustees has agreed to this Policy and, as such, it applies to all Schools within the Trust.

Rationale

The Boleyn Trust is committed to ensuring that its systems of financial governance conform to the requirements of both propriety and sound financial management.

This includes making sure that there are adequate controls in place over the use of the business charge cards. These enable the schools in the Trust to purchase goods/services where the company being used provides the best value but an invoice cannot be raised or a credit account cannot be set up. They are particularly useful for making purchases over the internet.

The business charge cards are provided by our bankers, Lloyds Bank. They are not a credit card as academy trusts are unable to borrow under EFA regulations, but are a payment card which are paid off in full each month. Purchases are charged to the budget and must be authorised in accordance with the Financial Scheme of Delegation.

This Policy is intended to provide guidance and assistance in the correct and responsible use of the business charge cards.

Policy Statement

Each card issued will be in the name of the individual on behalf of the school the member of staff is attached to, or to the trust if they are linked to the central team, each card will have an identification number.

Each member of staff who has a card issued to them is to be made aware of the limit of their individual card and keep within this limit. They must sign an agreement which states they understand the conditions of issue (**Annex 1**).

Any staff member who has been issued with a card and subsequently terminates their employment with the Boleyn Trust must return their card which will be destroyed on receipt.

Members of staff found to be breaching the terms and conditions for use of their card will have the card confiscated and disciplinary action may also be taken.

Restrictions

Limits for authorising expenditure, at order stage, are as detailed in the Boleyn Trusts Financial Scheme of Delegation. Use of the card by a cardholder who is not the budget holder should only be made on receipt of an order signed by the authorised budget holder.

The Business Charge Card must not be used for any non-business or personal expense. Selected merchant/retailer types may be restricted by the card issuer to prevent expenditure on non-approved items.

The Business Charge Card must not be used for regular payments.

The Business Charge Card must not be used to obtain cash from an automatic transaction machine (ATM).

The Business Charge Card should not be used to obtain goods/services which can be procured via a normal credit account.

The school Business Charge Card should not be used to purchase fuel while travelling in a personally owned or leased vehicle. Reimbursement of this expenditure must be made via the travel expense claims process. The card may be used to purchase fuel for the school minibus and may also be used to purchase train tickets or toll road fees for business use as covered by the Staff Expenses Policy.

Only secure sites should be used to make online purchases (for example the website shows the padlock symbol). If there is any doubt as to whether it is a secure site, the purchase should not be made.

Business charge card insurance and/or subscriptions for card protection services must not be purchased.

Any costs/charges incurred arising as a result of a card being misused will be charged to the person responsible.

Record keeping, reconciliation and payment

Receipts/invoices are required to support every item of expenditure and a VAT receipt/invoice obtained if any purchases contain any VAT charges.

Statements will be issued by the bank which must be reconciled with receipts and signed off in accordance with the Financial Scheme of Delegation.

In the event of there being any expenditure on the statement that has not been authorised by the cardholder, the central team should be alerted immediately and the matter investigated with the bank.

Business charge expense forms must be submitted in a timely manner in accordance with the month end timetable provided to schools by the central team.

Authorised statements and supporting documents must be kept for a period of six years plus the current financial year so that they can be produced if an audit is undertaken.

All Business Charge Cards are linked to Lloyds Bank and will be paid off in full monthly by a direct business charge to the Trust current account.

Security

The Business Charge Card must be signed on receipt.

The Business Charge Card must be kept secure at all times and either held personally or stored in a locked drawer or filing cabinet.

PIN numbers must be kept secure and must not be written down nor disclosed to anyone.

Lost or stolen cards must be reported immediately to the Central Finance Team.

Annex 1: Cardholder Agreement

I, **[your name]**, hereby acknowledge receipt of the Lloyds Business Charge Card: XXXX – XXXX – XXXX – [enter card last 4 digits only].

I understand that improper use of this card may result in disciplinary action as well as personal liability for any improper purchases. As a cardholder, I agree to comply with the terms and conditions of this agreement and the Credit Card Policies and Procedures for Five Colleges, Inc. I acknowledge receipt of the Credit Card Policies and Procedures and confirm that I understand the terms and conditions.

As a holder of this Business Charge Card, I agree to accept the responsibility and accountability for the protection and proper use of the card. I will return the card to the Chief Finance Officer upon demand during the period of my employment. I understand that the card is not to be used for personal purchases and that I must provide a receipt for every purchase. If the card is used for personal purchases or for purchases for any other entity or if I fail to provide a receipt substantiating a legitimate business expense by the end of the current month, the Boleyn Trust will be entitled to reimbursement from me of such purchases (through deduction of my paycheck). The Boleyn Trust shall be entitled to pursue legal action, if required, to recover the cost of such purchases, together with costs of collection and reasonable legal fees.

Signature: Card Holder

Date

Signature: Chief Finance Officer

Date