

**The Diocese of Gloucester Academies Trust**

Charge Card

 Policy

Status and review cycle; Non-Statutory every 2 years

Responsible group: The Trust

Implementation date: January 2015

Review date: November 2021

Next review date: November 2023

## **Statement of intent**

**The Diocese of Gloucester Academies Trust (DGAT)** 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 charge cards, required to enable the academies 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. It removes the need for members of staff to use their own cash or credit limits in these instances.

This policy is intended to provide guidance and assistance in the correct and responsible use of the academy’s charge card and will be fully incorporated into the Trust’s Finance Policy.

The academy’s nominated cardholders are:

| **Name of Staff Member** | **Designation** | **Card Limit** |
| --- | --- | --- |
|  |  |  |
|  |  |  |
|  |  |  |

|  |
| --- |
| Signed by: |
|  | Principal | Date: |  |
|  | Chair of Governors | Date: |  |

# Issue

* 1. The charge cards are limited to £2,000 per academy per month. This amount may be split between multiple members of staff.
	2. If an academy requires an additional amount, then a request with the rationale should be supplier to the Head of Finance or CEO to authorise the request.
	3. The Business Manager will act as the main representative and first point of contact for the bank and will maintain the register of cards issued to employees.
	4. Card holders must sign a copy of the attached agreement countersigned by the Principal, which states that they understand the terms and conditions of use. A copy of the agreement should be retained by the academy
	5. Card holders must read the Lloyds Terms and Conditions as part of the card application process – this includes information on the process to follow with regards to lost / stolen cards or confidential information.
	6. 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.
	7. Any costs / charges incurred arising as a result of a card being misused will be charged to the person responsible.

# Usage

* 1. The charge card should only be used by nominated card holders and must not be shared with other members of staff for their personal use.
	2. The charge card must only be used for low value expenses incurred wholly, necessarily, and exclusively for business purposes.
	3. The charge card is to be used as a last resort for transactions that fall outside the normal procurement process. The primary method remains as purchase orders / invoicing and this should be used in preference to card purchases wherever possible. All card purchases must be pre-authorised in line with the standard procurement process prior to use of the card.
	4. All shipments of goods and services must be for delivery to the academy address. The receipt of goods will be authorised by academy staff as with standard purchase orders.

# Restrictions

* 1. The charge card must not be used for any non-business or personal expense.
	2. The charge card must not be used for regular payments to creditors.
	3. The card is issued to facilitate the purchase of goods / services. Cash withdrawals are not permitted.
	4. Where at all possible purchases should be made in accordance with the Trust’s standard procurement procedures from existing suppliers who have pre-agreed terms and credit line in place. This will limit the use of the business charge cards.
	5. Personal loyalty cards must not be used in conjunction with the charge card issued by the academy.

# Record keeping, reconciliation and payment

* 1. Receipts / invoices are required to support every item of expenditure and a separate VAT receipt / invoice obtained if any purchases contain any VAT charges. All paperwork must be retained in the Finance Office for ease of reconciliation.
	2. Receipts / invoices must be attached to the charge card statement and provided to the Principal for approval on a monthly basis. The review of the reconciliation must ensure that pre-approval of the expenditure was obtained. Any expenditure incurred in an unauthorised manner is to be reported to the academy’s chair of the Finance and Resources Committee.
	3. Business charge card transactions will be input onto the PSF (IRIS) Finance system within one working day of the transaction taking place. (Input will be against the Credit Card account).
	4. The charge card balance will be paid in full by Direct Debit on a monthly basis. When the payment has been taken a transfer will be input between the Current and Credit Card accounts on the finance system.
	5. Transactions and supporting documents must be kept for a period of seven years plus the current financial year so that they can be produced if an audit is undertaken.

# Security

* 1. The charge card must be kept secure at all times and either held personally or stored in a locked drawer or filing cabinet.
	2. PIN numbers must be kept secure and not disclosed to unauthorised personnel.
	3. The bank and Trust must be notified immediately if the card is lost or stolen or fraudulent use is suspected.
	4. Contact: Lloyds Bank PLC Phone: 0800 096 9779.
	5. The charge card will remain the property of the academy and in the event of termination of employment or change of circumstances, the card holder will surrender the card to the Principal or Trust on their last day of employment or the applicable date of change.

# Register of Business Charge Card Holder

The following should be completed for each card holder, prior to issuing the card. Copies should be kept in the finance office as supporting documents, (section 4.5).

# Information taken from actual card

|  |  |
| --- | --- |
| CARDHOLDER NAME | ORIGINAL CARD |
|  | Last four digits of card:Valid from:Valid To: |
| RENEWAL |
| Last four digits of card:Valid from:Valid To: |
| REPLACEMENT CARD |
| Last four digits of card:Valid from:Valid To: |

# DECLARATION TO BE SIGNED BY EACH CARD USER

# NAME:

# DESIGNATION:

# I have read and accept the procedures and conditions for the use of the business charge card as stated in this policy.

# SIGNATURE:

# DATE: