



NORTHSIDE

Primary School

Credit Card Policy

Last review: March 2021
Ratified: March 2020
Review: March 2022

Rationale

The purpose of the Credit Card Policy is to provide guidance as part of a robust financial framework in the proper use of and management of the credit card and debit card. Northside Primary School 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 school payment cards, required to enable the school 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.

Key Principles

This policy is intended to provide guidance and assistance in the correct and responsible use of the school's debit/credit card and will be fully incorporated into the school's Finance Management Policy.

The nominated PIN-holder is: *Elizabeth Longworth*.

The school's nominated cardholder is: *Elizabeth Longworth*

In Practice

Credit Card Issue

- The governing body will formally minute an agreement to approve the use of the credit card, to accept responsibility for its use and to accept all terms and conditions outlined in this policy.
- The credit card must only be issued in the name of the school.
- The headteacher will be responsible for the PIN number and under no circumstances will share this with other members of staff.
- The headteacher will sign an agreement countersigned by the chair of the Finance Committee, which states that they understand the terms and conditions of use. A copy of the agreement will be kept on the school file.
- Should the terms and conditions for use of the card be breached the card will be confiscated and disciplinary action may also be taken.
- Any costs/charges incurred arising as a result of a card being misused will be charged to the person responsible.

Credit Card Use

- The usual paperwork in relation to orders must be completed and the purchase authorised by the relevant budget holder before use.
- Adequate budgetary provision must be available.
- Credit card statements will be checked each month by the secretary and reconciled by the Finance Assistant and checked and countersigned by the Finance Manager each month.
- The credit card should only be used by the headteacher and must not be shared with other members of staff for their personal use.

- The credit card must only be used for low value expenses incurred wholly, necessarily, and exclusively for business purposes. The delivery address should always be Northside.
- Credit card payments should not exceed the maximum limit for single transactions, daily and total monthly spend agreed by the governing body.
- There must be a clear segregation of duties between the nominated cardholder, PIN holder, and the finance officer responsible for reconciling/authorising the monthly statement.

Restrictions

- The credit card must not be used for any non-business or personal expense.
- The credit card must not be used to obtain cash from an automatic transaction machine or to guarantee any cheque or obtain cheque encashment.
- Only secure sites should be used to make online purchases. If there is any doubt as to whether it is a secure site, the purchase should not be made.

Record keeping, reconciliation and payment

- The governing body will ensure that a robust and appropriate system is in place to accurately record and monitor all expenditure incurred on the credit/debit card.
- Receipts/invoices are required to support every item of expenditure and a separate VAT receipt/invoice obtained if any purchases contain any VAT charges.
- Receipts/invoices must be attached to the debit card statement and provided to the school secretary, along with a summary of expenditure.
- The finance assistant must ensure that the correct amount has been charged to the bank statement
- The full balance of the credit card must be paid off by the due date after all outgoing transactions have been checked by the secretary and the receipts/invoices reconciled to the account statement
- 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.

Purchases under £200

- Telephone orders are not permitted.
- When using the credit 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 school secretary for authorisation.
- The finance assistant enters the official order onto the Accounting System and will confirm that there is sufficient balance at the bank to cover 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 school secretary.
- Purchasing records must allow correct coding in accounts.

Purchases over £200

- Must be ordered on the school premises via a website.
- Telephone orders are not permitted.
- The official order is to be signed by the authorised official signatory. For purchases over £500.00 a second signatory must be obtained and must not be the purchasing officer.
- The finance assistant 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 school address.

- If online ordering using the security code the cardholder must have a purchase order signed in advance by the school secretary.
- A VAT receipt must be obtained
- Must have record of receipt of goods/service at school, i.e. delivery note.

The finance assistant will de-commit the official order and enter the expenditure onto the accounting system to ensure that the school's cash flow is correctly monitored

Security

- The bank card will be kept locked in the school safe when not in use.
- PIN numbers must be kept secure and not disclosed to unauthorised personnel.
- The bank and headteacher must be notified immediately if the card is lost or stolen or fraudulent use is suspected.
- The debit card will remain the property of Northside Primary School and in the event of termination of employment or change of circumstances; the cardholder will surrender the card to the Chair of Governors on their last day of employment or the applicable date of change.
- The use of the school card will be monitored by the Finance Committee termly.



NORTHSIDE Primary School

School Credit Card Agreement

School Credit/Debit Card Agreement.

Name:

Card Number:

I acknowledge use of the school bank card which will be kept in the school safe when not in use. When it is in my possession, I will keep it securely. I have read a copy of the Policy in relation to the School Credit/Debit Card.

I agree to follow the Policy for use of the school credit card.

I agree:

- Not to use the card for personal purchases
- To ensure that the relevant paperwork in relation to an order is in place before making a purchase.
- To forward invoices/vouchers/print offs relating to purchases to the school secretary/relevant finance officer immediately.
- To obtain value for money as far as possible.
- To report a lost or stolen card immediately to the Finance Committee.

Headteacher's signature:

Date:

Chair of Finance's signature:

Date:

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