

AVONREACH

ACADEMY TRUST

Payment Card Policy

2018-21

Approved by:	Finance & Audit Committee
Date Approved:	
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Ratified by:	Board of Trustees
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Status	Non-Statutory

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Statement of intent

Avonreach Academy 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 trust payment cards, required to enable the academies, and the finance team to purchase goods/services, where the company being used provides the best value but an invoice cannot be raised or a credit account set up.

This policy is intended to provide guidance and assistance in the correct and responsible use of the trust's payment cards, and will be fully incorporated into the trust's financial policies and regulations.

A register of nominated cardholders will be held by the Trust Finance Manager.

1. Procurement

- 1.1. When procuring payment cards, the Trust Finance Manager will always ensure that they obtain the best value for money, taking into account such factors as their maximum credit limits, interest rates, minimum payments and repayment periods.
- 1.2. Obtaining the best value for all trust payment cards will be kept in mind whenever a card expires, or its terms and conditions are under review.
- 1.3. Credit limits and repayment periods will not be raised, lowered or otherwise amended, without the prior and explicit approval of the Chief Financial Officer.
- 1.4. Overdraft facilities are not permitted.

2. Issue

- 2.1. The trustees have formally minuted their agreement to approve the use of the trust's payment cards, to accept responsibility for their use, and to accept all terms and conditions outlined in this policy.
- 2.2. Payment cards must only be issued in the name of Avonreach Academy Trust.
- 2.3. Nominated card holders will be issued a PIN number by the card provider, under no circumstances should this be communicated to any other individual.
- 2.4. Nominated cardholders must sign an agreement countersigned by the Trust Finance Manager, which states that they understand the terms and conditions of use. A copy of each agreement should be kept on file at the MAT central finance office.
- 2.5. 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.
- 2.6. Charges and subscriptions relating to use of the payment card will be incurred by the academy or budget holder that nominated the card holder.

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

3. Usage

3.1. The nominated cardholder will notify the Trust Finance Manager immediately upon receipt of the payment card the card number, start date and expiry date.

3.2. Payment cards should only be used by nominated officers and must not be shared with other members of staff for their personal use.

3.3. Payment cards must only be used for low value expenses incurred wholly, necessarily and exclusively for school business purposes. The delivery address should always be that of the academy named on the nominated cardholder agreement or central finance office unless there is prior and explicit approval of the Trust Finance Manager.

3.4. Card payments should not exceed the maximum limit for total monthly spend, as agreed by the trustees.

3.5. There must be a clear segregation of duties between the nominated cardholders and the officer responsible for reconciling/authorising the monthly statement.

4. Restrictions

4.1. Payment cards must not be used for any non-school business or personal expenses. Selected merchant/retailer types could be restricted by the card issuer to prevent expenditure on non-approved items.

4.2. Payment cards must not be used for regular payments to creditors.

4.3. Payment cards must not be used to obtain cash from an automatic transaction machine (ATM) or to guarantee any cheque or obtain cheque encashment.

4.4. Payment cards should not be used to obtain goods/services which can be procured on equal or better terms via the trust's electronic procurement system.

4.5. Except in emergencies, the trust's payment cards should not be used to purchase fuel or other motoring expenses while travelling in a personally owned or leased vehicle. Reimbursement of this expenditure must be made via the travel expense claims process.

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

4.7. Personal loyalty cards must not be used in conjunction with the payment cards issued by the trust.

4.8. Payment card insurance and/or subscriptions for card protection services must not be purchased.

5. Record keeping, reconciliation and payment

5.1. The trustees will ensure that a robust and appropriate system is in place to accurately record and monitor all expenditure incurred on the payment card.

- 5.2. Receipts/invoices are required to support every item of expenditure, and a separate VAT receipt/invoice obtained if any purchases contain any VAT charges.
- 5.3. A reconciliation must be undertaken by the cardholder each month on receipt of a statement. All expenditure must be coded to the relevant expense code by the cardholder. Receipts/invoices must be attached and the reconciliation statement signed by the headteacher/budget holder and submitted to the Trust Finance Manager no later than 5 days following the card statement date.
- 5.4. The full balance of the payment card will be paid by the due date, after all outgoing transactions have been checked by the Trust Finance Manager (or official with designated responsibility) and the receipts/invoices reconciled to the account statement.
- 5.5. Transactions 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.

6. Security

- 6.1. Payment cards must be kept secure at all times and either held personally or stored in a safe or locked drawer or filing cabinet.
- 6.2. PIN numbers must be kept secure by the cardholder and not to anyone else.
- 6.3. The bank and Trust Finance Manager (or officer with designated responsibility) must be notified immediately if a payment card is lost or stolen or fraudulent use is suspected.
- 6.4. Payment cards will remain the property of Avonreach Academy Trust and in the event of termination of employment or change of circumstances, the cardholder will surrender the card to the Trust Finance Manager on their last day of employment or the applicable date of change.

7. Review

- 7.1 This policy will be reviewed every three years or more frequently if required.



Nominated Cardholder Agreement

By accepting and using the trust's payment card, I hereby agree to the terms and conditions set out in the Payment Card Policy:

Nominated card holder:	Print name
	Signature
Nominated by:	Print name of Headteacher or authorised official
	Signature
Academy / MAT central office/ Teaching School to be charged with fees, transaction charges and transactions:	Name to appear on front of payment card
Date signed:	
Accepted by Trust Finance Manager:	Signature
	Date
Card application issued:	
Confirmation from nominated cardholder that card has been received:	Date received
	Card number
	Start date and expiry date
Termination of card agreement:	Date
Reason for termination:	
Card returned to Trust Finance Manager	Date

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