

Credit Card Policy

Contents

| Section | Page |
|---|----------|
| 1.0 Policy statement | 3 |
| 2.0 Scope and purpose | 3 |
| 3.0 Procedures | 4 |
| 3.1 Purchases using the corporate credit card | 4 |
| 3.2 Guidance for internet purchases | 4 |
| 3.3 Card administrators | 5 |
| 3.4 Accounting for expenditure | 5 |
| 4.0 Frequently asked question | 5 |
| Appendix 1 - Declaration of acceptance and understanding | 6 |
| Appendix 2 - Example of credit card usage form | 7 |



1.0 Policy statement

Dixons Academies Trust (our Trust) is an independent institution and is financially accountable to the Department for Education and Secretary of State. However, the our Trust does have autonomy over financial transactions arising in the normal course of business.

The Trustees have wide ranging responsibilities under statute, regulations and the funding agreement. Principally, they are responsible for ensuring that our Trust's funds are used only in accordance with the law, its Articles of Association and its funding agreement. The Trustees have wide discretion over our Trust's use of funds which it must discharge reasonably and in a way that commands broad public support. It is responsible for the proper stewardship of those funds, including regularity and propriety, and for ensuring economy, efficiency and effectiveness in their use – the three key elements of value for money.

Dixons Academies Trust must ensure that:

- spending has been for the purpose intended and there is probity in the use of public fund
- spending decisions represent value for money and are justified as such
- internal delegation levels exist and are applied within the Trust
- a procurement framework is established to ensure value for money, effective and efficient implementation, and compliance with public procurement thresholds are observed.
- relevant professional advice is obtained where appropriate, including that of their external auditor where necessary

2.0 Scope and purpose

The purpose of this policy is to ensure spending has been for the purpose intended and there is probity in the use of public funds.

Our Trust is committed to ensuring that the procurement of goods and services on behalf of each academy is as simple and as easy as possible. It is recognised that it may not always be practical to purchase small or one-off items via the official procurement route. As such, it may be more feasible to purchase such items via the corporate credit card. The use of a credit card should be for emergency situations only, or where the setting up of a supplier is not reasonable.

The Credit Card policy sets out the situations where it may be appropriate to pay for goods and services via the corporate credit card and the procedures to be followed when processing these transactions.

2.1 Use of the corporate credit card

2.1.1 The corporate credit card should be used for small or one off items of expenditure where it is not practical to purchase the items via the official procurement route.

2.1.2 An example of this is if the supplier only accepts payment by credit card, which is rare. A further example would be the purchase of travel tickets where the use of the corporate credit card would be considered to be the most effective method of procurement.

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

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

2.1.4 The corporate credit card may be used over the telephone, by internet or in person. This must be authorised by the card holder or nominated individual.

The card should never be stored on a website, copied or given verbally to anyone other than when making a purchase.

Cash withdrawals are prohibited.

2.2 Responsibility for the corporate credit card

2.2.1 There is a corporate credit card located at each academy within the Trust; each with a monthly limit of £5,000. The cardholder at each academy /location is the Principal or Head of School. Each corporate credit card is linked to a specific academy / location and cannot be used to procure for another academy / location.

2.2.2 The CEO and some central Heads of Departments also have corporate credit cards where deemed appropriate.

2.2.3 In the event of being provided with a PIN, according to paragraph 5.3 of the Lloyds Bank plc Corporate Multipay Conditions of Use:

'You must not write the PIN on the card or anything left with the card. If you do write it down, do not write the PIN in a way which would enable someone else to recognise that it is a PIN.'

2.2.4 It is the cardholder's responsibility to ensure the safety of the corporate credit card and to guard against possible fraud. Where the named cardholder is not in possession of the corporate credit card, it must be securely stored.

2.2.5 Before accepting custody of the corporate card, the cardholder must sign the acceptance and undertaking document (appendix 1). The original should be retained by the cardholder with a copy scanned to finance for retention on file. The cardholder and nominated individual are also required to sign this deceleration on an annual basis.



3.0 Procedures

3.1 Purchases using the corporate credit card

- 3.1.1 Each cardholder will nominate an individual (the Nominated Individual) who will be responsible for processing the transactions. The cardholder must declare the Nominated Individual on the acceptance and undertaking document. The cardholder may nominate themselves as the Nominated Individual.
- 3.1.2 All corporate credit card expenditure must be wholly and exclusively related to the deliverance and support of our Trust's charitable purpose i.e. the provision of education.
- 3.1.3 It is the cardholder's responsibility to ensure that the monthly limit and transaction limits are not breached. The monthly cardholder limit is £5,000.00. The single transaction limit is £1,000.00. If you need to extend your limit, please advise the card administrators. An extension is not necessarily guaranteed to be granted and will require at least two working days' notice.
- 3.1.4 In order to purchase items via the credit card, individuals must complete the credit card usage form (see appendix 2 for an example, although in practice an electronic version must be used). In addition to confirming there to be sufficient budget, this form will require the following information to be provided:
- name
 - budget area
 - date of transaction
 - nominal code
 - type of transaction, i.e. internet or telephone
 - name of supplier
 - goods / services to be provided
 - confirmation of whether there is sufficient budget available to make the purchase
 - amount or, if not known prior to final purchase, an approximate amount
- 3.1.5 The form must be completed electronically and then signed physically or e-signature as required (typed e-signatures will not be accepted). This is because specific information must be completed accurately; for example the budget and nominal code.
- 3.1.6 The budget holder must sign the credit card usage form as confirmation of expenditure approval and verification of there being sufficient budget available to make the purchase. The cardholder must also sign the credit card usage form prior to any transactions being processed.
- 3.1.7 **All transactions must be processed with prior permission from either the cardholder or nominated individual.**
- 3.1.8 As soon as the transaction has been completed, the receipt must be attached to the credit card usage form.
- 3.1.9 All transactions must have both a completed credit card usage form and a VAT receipt.
- 3.1.10 It is essential that evidence of each transaction is collected and provided to the central finance team in order to meet accounting, audit and internal control requirements.
- 3.1.11 It is strictly forbidden to split purchases to avoid control limits. All transactions are governed by the Trust procurement thresholds.
- 3.1.12 In instances where a copy of the receipt or invoice is also being sent to the finance team directly from the supplier, please request the supplier to stamp it 'paid by credit card'. This will ensure that the item is not duplicated on the accounting system.

3.2 Guidance for internet purchases

- 3.2.1 For those items which are purchased online, you must use a reputable and secure site. Before typing the card details into a website, ensure that the site is secure. You can do this by checking to see if there is a small padlock symbol in the address bar (or elsewhere in the browser window) and a web address beginning with https:// rather than http:// (the 's' stands for 'secure').
- 3.2.2 You must ensure the website is trustworthy, particularly if it is not one that you have used before. Suggestions on how to confirm trustworthiness include: being suspicious of offers that are 'too good to be true', asking colleagues / friends if they have used the website and doing an internet search to confirm whether reviews are favourable.
- 3.2.3 Using a card online may put you at risk of card fraud. You can reduce this by remembering the following points:
- When undertaking a transaction online, you will never be asked for a PIN or online banking password. You will be asked for the three or four digit security number ('CVV2 code'), which is usually found on the back of your card.
 - Do not give permission for the site to store the card details. This can usually be checked by reviewing your account details (if you have been asked to set up an account).
 - If your card is declined please contact the card administrators.
 - If in doubt, please do not hesitate to contact the card administrators before attempting to complete any transaction.

3.3 Card administrators

- 3.3.1 There are nominated card administrators within finance for all corporate cards. These are the Finance Director, Senior Financial Controller, Senior Finance Business partner and Finance Business Partner.



- 3.3.2 The card administrators will liaise with Lloyds Bank on all matters relating to the corporate credit cards.
- 3.3.3 If a cardholder has a change of circumstances, i.e. change of name, address or is leaving the Trust's employment, the administrators must be informed.
- 3.4 Accounting for expenditure**
- 3.4.1 Statements will be sent to the named cardholder by the central finance team on a monthly basis. On receipt of the monthly credit card statement, the finance team will request all documentation pertaining to the transactions i.e. credit card usage form and supporting receipts.
- 3.4.2 The finance team will ensure that there is a credit card usage form and receipt for each transaction. Should a transaction not have one or both of these documents, the finance team will request this information from the cardholder and the budget holder in question. On being asked for this information, the cardholder and / or budget holder should provide this information as soon as possible. Any delays could lead to the credit card being placed on hold until the relevant documentation is received.
- 3.4.3 Any item appearing on the statement which is not recognised, will be followed up with the named cardholder in the first instance.

4.0 Frequently asked questions

- 4.1 **Can I send corporate credit card details to a supplier by email?**
Card details must not be emailed to anyone as this may pose a fraud risk.
- 4.2 **I suspect a fraudulent transaction – what do I do?**
If, on receipt of your cardholder statement, an item appears of which you have no record, please contact the card administrators as soon as possible. They will liaise with Lloyds Bank plc regarding the transaction(s) in question.
- 4.3 **What if a receipt is not provided with a purchase?**
In some instances, a receipt may not be provided as proof of purchase. In this event, please provide a substitute document such as confirmation of order.
- 4.4 **What if a receipt is lost?**
If an original receipt is lost, please obtain a duplicate. This is usually possible by phoning the supplier or, if you have an internet account with them, it may be possible to print a new receipt.
- 4.5 **What do I do if the card has been lost or stolen?**
If the card is lost, stolen or the PIN becomes known to any person other than you, or the card or the PIN are for any reason liable to misuse, you must notify the card administrators as soon as possible by telephone. They will then liaise with Lloyds Bank plc on your behalf.
- 4.6 **Is the balance cleared on a monthly basis?**
At the end of the statement period, the balance is automatically paid and the running balance should be reset to zero.
- 4.7 **How do I activate the card?**
To activate the card, on receipt of the card, you must follow the instructions on the sticker attached to the card or telephone the number quoted on the card (available 24 hours) in order to complete the necessary security checks.
- 4.8 **Is a purchase order number required for items being paid by card?**
A purchase order number is not required. However, the necessary documentation must be completed as well as ensuring the procurement thresholds and conditions are adhered to before a transaction is processed. You must ensure there is enough capacity remaining within that budget to make the purchase.
- 4.9 **How do I contact the card administrators?**
To contact card administrators, please go to TOPdesk and follow instructions.



Appendix 1 - Declaration of acceptance and understanding

I confirm that I have read and understood our Trust's credit card policy and procedure and will ensure adherence to the policy and procedure in my use of the corporate credit card provided.

I confirm that, in the event of the corporate credit card being lost or stolen, I will report this immediately to card administrators. They will then notify Lloyds Bank plc.

I understand that the card is only to be used for expenditure incurred wholly and exclusively in respect of the deliverance and support of our Trust's charitable purpose i.e. the provision of education. Should the card be used for inappropriate and / or unauthorised expenditure, it is our Trust's expectation to recover the full value of any transaction.

Should I fail to comply with the credit card policy and procedure, I understand the credit card may be withdrawn and that I may be subject to disciplinary action.

I nominate to act as the nominated individual in respect of the policy.

Cardholder name: _____

Nominated individual name: _____

Signature: _____

Signature: _____

Date: _____

Date: _____





CREDIT CARD USAGE FORM

Employee & Budget Details

| | |
|---|--|
| Academy | |
| Employee Name | |
| Job Title | |
| Budget | |
| Expense Type | |
| Is their sufficient budget available to make this purchase? | |

Supplier Details

| | |
|---------------------|--|
| Supplier Name | |
| Type of Transaction | |

Transaction Details

| Description | Quantity | Price Per Unit | Total Price | Nominal Code |
|--------------|----------|----------------|-------------|--------------|
| | | | 0.00 | |
| | | | 0.00 | |
| | | | 0.00 | |
| | | | 0.00 | |
| | | | 0.00 | |
| Total | | | 0.00 | |

Authorisation Details

| | |
|-------------------------|--|
| Budget Holder Name | |
| Budget Holder Signature | |
| Date (dd/mm/yyyy) | |

| | |
|-----------------------|--|
| Card Holder Name | |
| Card Holder Signature | |
| Date (dd/mm/yyyy) | |

Once signed by the Budget Holder, the form is to be passed to the Nominated Individual for processing. Once the transaction has been completed, please attach the receipt to this form.

