



Purchase Card Policy

Policy Creation & Review

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Ellen Wilkinson Primary School SCHOOL PURCHASE CARD POLICY

Introduction

The Governing Body has approved the use of the Purchase Card (P Card) and these procedures will be included with the Finance Policy. This card is part of London Borough of Newham (LBN) Corporate Purchasing card scheme with Barclays Bank PLC.

As such, the policy for use has to be compliant with the LBN Purchase Card Guidance (Nov 2011).

1. P Card Issue

The Head teacher/Chair of Governors may authorise any two of the following to be a cardholder. (Head Teacher, Deputy Head Teacher, Assistant Head Teacher)

The P Card is issued by Barclays Bank PLC as part of the LBN purchasing card corporate contract.

2. Credit Limit

The P Card shall have a spending limit controlled by LBN. These limits are **inclusive** of any VAT, carriage charges etc.

Cardholder	Single Transaction limit	Monthly limit overall
	£500	£3000
Head Teacher	£500	
Designated 2 nd	£500	

3. Use of P Card

The P Card must only be used to acquire goods and services for EWPS business. Receipts or invoices must be obtained to support every item of expenditure and if any purchases contains any charges for VAT; a proper VAT receipt or invoice should be obtained.

The primary method of payment remains invoicing and this should generally be used in preference to card purchases where the supplier offers such. The P Card is intended for use on an exceptional basis only e.g. booking courses, purchases via the Internet (Amazon.co.uk, etc)

The Head teacher and Finance & Facilities Manager will ensure that there is budgetary provision for all purchases and that there is sufficient balance available in the bank to cover expenditure. All spending will be linked to ledger codes and cost centres taking account of the agreed budget amounts.

P Cards must only be used after the correct authorisation to purchase has been obtained and must be for items that can be justified in all respects.

Restrictions

The P Card must not be used for personal expenditure under any circumstances; failure to observe this will lead to the card being withdrawn and possible disciplinary action.

No cash withdrawal is possible with the P Card and any attempt to do so will result in the card being retained by the ATM provider.

To prevent improper use of the card, merchant/retailer types are restricted by the council to prevent expenditure on non-approved items. In cases of emergency, these blocks can be removed temporarily by LBN Administrators. The School Business Manager is the nominated Administrator in school.

Only secure sites should be used to make purchases via the internet (for example the site shows the padlock symbol, Verisign, Bobby or is another secure pay site).

Personal loyalty cards (Nectar etc) must not be used in conjunction with P Cards.

All authorised P Card Holders must sign to accept that they have personal responsibility for transactions on "their" P Card, and P Cards must not be loaned to any other person in any circumstances.

If any unauthorised purchases are made, then the school has the authority to recover the cost of these transactions, either by personal payment from the P Card holder or by salary deduction for the unauthorised amount as well as the card being withdrawn from the holder for misuse.

4. Security

Every effort must be made to keep the card secure at all times and either held personally or stored in a safe (exceptionally where a safe is not available it can be stored in a locked drawer or cupboard) these must be kept secure.

The PIN number for each P Card shall be known only by the cardholder and not disclosed to anyone else or written down. No P Card Holders within the school are allowed to change their PIN to anything obvious e.g. DOB/School telephone number or the same PIN as other P Card Holders within the school.

In the event of loss of the PIN number the bank will be able to provide the P Card Holders only with the information.

Should the P Card be lost or stolen the cardholder must report the loss immediately to Barclays Bank using the Lost or Stolen Cards Helpline (0844 822 2125), the Head Teacher and the Finance & Facilities Manager.

Should fraud or misuse be suspected, the bank and LBN Schools' Finance Section should be informed immediately so that the appropriate action can be taken.

The cardholder will surrender their card to the school's representative when the cardholder leaves the employment of EWPS or if circumstances change so that a card is no longer required.

Expired cards must be cut up into pieces and disposed appropriately.

5. Procedure for purchasing supplies including Internet

The cardholder makes the Card transaction via the telephone, internet, or on a face-to-face basis.

A purchase order (PO) must be completed promptly and must be authorised by the official signatories) as per Scheme of Delegation and the school's normal procurement processes. The school will need to set up a "Supplier" called Barclays Bank Purchase Card. Do not set up each real supplier (eBay, Amazon etc), as it is Barclays that payments will be made to. Alternatively,

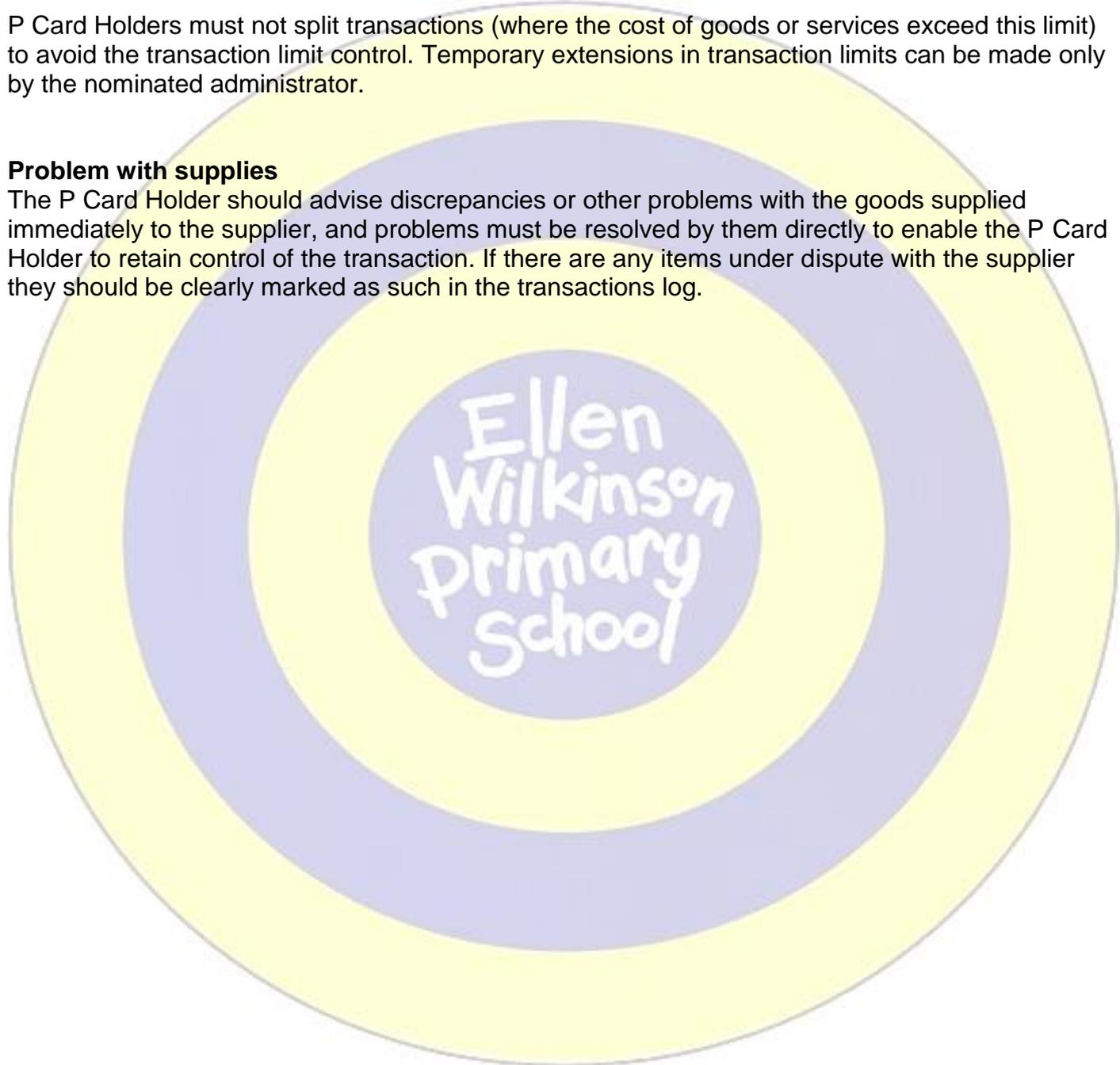
each payment is made using the “cash book” journal transaction entry system without the need to set up a supplier.

Cardholders must get the total price including VAT, p&p and delivery charges, check availability and confirm the delivery date. Supplier’s terms and conditions should be read carefully prior to undertaking a purchase to ensure they are acceptable to the school. For example ensure you are clear on the delivery and returns policy, that you can return any unsatisfactory items and whether you will get a refund or merchant credit before completing an online transaction.

P Card Holders must not split transactions (where the cost of goods or services exceed this limit) to avoid the transaction limit control. Temporary extensions in transaction limits can be made only by the nominated administrator.

Problem with supplies

The P Card Holder should advise discrepancies or other problems with the goods supplied immediately to the supplier, and problems must be resolved by them directly to enable the P Card Holder to retain control of the transaction. If there are any items under dispute with the supplier they should be clearly marked as such in the transactions log.



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