



Purchase Card Policy

Policy Creation & Review

Author(s)	Sue Ferguson & GB Finance Committee based on guidance from LBN & the Education Partnership Board: Finance and Premises Sub Group
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Last review date	February 2023 January 2022 (<i>extension of previous policy as LBN provision is changing at end of the financial year</i>)
Chair of Governors	Marie Christie
Ratified by Governing Body (minutes reference & date)	19/05/22
Next Review Date	February 2024

Current Card Holder Names	Date Card Holder From
Sue Ferguson (Headteacher)	04/2022
Janice Owen-Amadasun (Deputy)	04/2022

Ellen Wilkinson Primary School PURCHASE CARD POLICY

1. Overview

Within this document we have outlined some guidelines for individuals to follow and adhere to where appropriate when acting as custodian of our schools purchasing card, alongside the individuals sign up to confirm they are fully aware of their responsibilities.

Although we have laid down some guidelines within this document, individuals must also be aware when agreeing to this policy it is also in conjunction with the Lloyds policy documents.

2. Purchasing Card Policy

- The schools purchasing card must only be used when no other method of payment is available
- The card must under no circumstances be used to withdraw cash.
- The card(s) must not be used for personal purchases. Misuse of the card may result in withdrawal of the card and disciplinary action, including dismissal
- All cards will be kept locked in the school safe until required
- Individual pin numbers must be kept private and used only by the designated card holder, and never written down

3. Card Holder Responsibilities

- Each card holder must sign and date a copy of this policy document.
- Card holders must complete, sign and securely retain a copy of the Employee Undertaking declaration form – Appendix A attached. The original must be kept securely in the school office
- Each card holder is responsible for ensuring the security of their card. Cardholders must take all reasonable precautions to prevent loss or misuse including the following:-
 - Card holders must not allow any other person to use their card
 - Sign their card immediately upon receipt
 - Keep their card locked in the school safe until required
 - Never leave their card unattended
 - Never write their PIN down
- All existing financial procedures must be adhered to as appropriate
- All purchase card orders must be raised and authorised on the Authorisation to pay by Purchase Card form (Appendix D).
- If the cardholder takes annual leave at the end of a month, all paperwork should be handed to the office before commencing leave, thereby ensuring the monthly statement can still be reconciled and paid in full

3.1 Lost or Stolen Card -

The card holder is responsible for the security of the Lloyds Purchasing Card and the transactions made with the card. If the card is lost or stolen, these steps should be taken immediately

- Call the Lloyds Customer Services Helpdesk, (call 0800 096 4496) and quote your Programme ID, A customer service representative will block use of the card and order a replacement card with a new account number
- Notify the Headteacher and Bursar/Business Manager
- Any sizeable purchases, where authorised to be paid for by purchase card must have in the first instance been considered alongside the school's procurement policies.

4. Generic Guidance

- All appropriate and relevant documentation must be kept with regard to the card transaction and not only reconciled with the monthly credit card bill at the end of each month, but retained for the standard 6 years plus current

- The Purchasing Card Log must be maintained and updated to include all purchases, and reconciled on a monthly basis (see example template in Appendix E), with monthly records being fully authorised and retained.

5. Issue and Safekeeping of Purchasing Cards

- The issue and reissue of purchasing cards must be agreed by full Governing body, or the Finance Committee where this responsibility has been delegated and documented
- Governors should agree and document prior to application:
 - The number of cards (the LA recommend a maximum of 3)
 - The authorised users of the cards
 - The individual cardholder's transaction and monthly limits
- The Governors or Finance Committee should designate the Headteacher to be responsible for the establishment and maintenance of a secure central record of all purchasing card users and purchasing cards issued, detailing card numbers, spending limits, issuing and expiry dates.
- Purchasing cards will not be issued to, or be used by, any member of staff who has not signed a copy of this Policy and Procedures document.
- Purchasing cards must be kept secure at all times and in the school safe when not in use.
- On planning to leave the employment of Ellen Wilkinson Primary School, the individual's purchasing card must be returned with a full account of any outstanding expenditure and the following cancellation process completed

6. Cancellation of the card

- When an employee is no longer required to hold a card, a cancellation of Employee Undertaking form must be completed and actioned as required – Appendix B as attached
- This must be done in advance, and/or as soon as a cancellation/leaving date is known for the individual
- The form must be signed by both the card holder, and the card holders manager or Headteacher, and must be returned to the Bursar/programme administrator, who will then notify Lloyds of the cancellation before securely destroying the card as per Lloyds advice

7. Damaged Cards

- If your card becomes damaged, a replacement card can be requested by contacting the Bursar/Programme Administrator. You should follow the procedures as per card cancellations for your damaged card
- Once your existing card has been cancelled, the Bursar/Programme Administrator will receive a replacement card and arrange to forward it to you, where section 2 of this policy must again be revisited to ensure new documentation for new card is in place

8. Loss or Theft of Purchasing Cards

- Inform the Headteacher as soon as it is known the card has been lost or stolen
- **Contact Lloyds lost/stolen card line immediately on call 0800 096 4496, quoting card number and Programme ID. A delay in contacting Lloyds may result in unauthorised use of the purchasing card for which the School may hold the card user liable**
- If it is believed the card has been stolen, then the police must be informed immediately, being sure to obtain the report number

9. Limits

- Each cardholder will be assigned an individual credit limit, which will be based on an individual's purchasing needs, and will be determined and agreed by Governors prior to any application being made.
- The recommended maximum limit on purchase card spend for primary schools is £2,000 per month, and secondary schools is £5,000 per month.
- **Increases to the recommended limit will only be approved by the LA in exceptional circumstances. Requests should be sent to SchoolsReturns@newham.gov.uk**
- Chair of Governors Declaration of Intent for the school to apply for a Purchasing Card (Appendix C) will have been completed and approved ahead of application approval, with copies retained for audit purposes as required

- Cardholders must not attempt to exceed these values by splitting the orders, and must only spend within existing budgets agreed

10. Payment and coding

- The invoices for the purchasing card payments should be checked to the individual 'Authorisation to Pay by Purchasing Card' form.
- The school's bank account will be charged each month for the total amount of the purchasing card statement
- The Purchasing Card Statement should be checked to the 'Authorisation to Pay by Purchasing Card' forms
- The total amount on the Purchasing Card Statement should be input onto the financial system within 5 working days of receipt.
- When completing the bank reconciliation schools must ensure that the correct amount has been charged to the bank statement

11. Monitoring

There should be regular reports to Governors on the levels and types of expenditure. Use of purchasing cards will be subject to spot checks by Headteacher or a nominated person who does not hold a card where the Headteacher is a card holder themselves. An independent record of these checks must be maintained by School/Headteacher/Governors and must also be available for audit inspections.

Unauthorised use of purchasing cards will be subject to investigation and may result in the potential reclaim from the card user, withdrawal of card and/or disciplinary action.

If any fraudulent use / types of expenditure are identified (e.g. either made by the individual or as a result of 3rd party intervention), the police should be contacted for investigation (remembering to obtain a report number)

12. Agreed Cardholder confirmation

I have read and understood the Purchasing Card Policy and Procedures and confirm that I will adhere to these in my use of the card provided.

Card Holder Signature:

Date:

Headteacher / Chair of Governors Signature:

Date:

I have read and understood the Purchasing Card Policy and Procedures and confirm that I will adhere to these in my use of the card provided.

Card Holder Signature:

Date:

Headteacher / Chair of Governors Signature:

Date:

I have read and understood the Purchasing Card Policy and Procedures and confirm that I will adhere to these in my use of the card provided.

Card Holder Signature:

Date:

Headteacher / Chair of Governors Signature:

Date:

Appendix A - EWPS - Lloyds Purchasing Card Programme Employee Undertaking

Last Name	
First Name(s)	
Role	
Office Location	
Telephone Number	
E-mail Contact:	

I declare that:

- I have received my Lloyds Purchasing Card and associated PIN, signed the back of the card as instructed and will keep it in a safe place at all times;
- I have received a copy of the Purchase Card Policy
- I have read the Policy and agree to comply with its requirements;
- I accept responsibility for the security, safe-keeping and confidentiality of the Purchasing Card issued to me;
- I undertake to use the Purchasing Card solely for Ellen Wilkinson Primary School
- If I leave employment at Ellen Wilkinson Primary School with purchases outstanding on the card which cannot be reconciled with business use, I agree to the outstanding monies being deducted from my final salary payment;

This Employee Undertaking will be applied in conjunction with the Employer's:

- Code of Conduct
- Disciplinary Procedure
- Financial Regulations.

Staff are advised to read and refresh themselves of the above regulations.

Signed:

Dated:

Appendix B - EWPS - Lloyds Purchasing Card Programme Cancellation of Employee Undertaking

Last Name	
First Name(s)	
Role	
Office Location	
Telephone Number	
Purchasing Card Number	
Date Cancellation Effective	

I declare that I no longer require the use of the Lloyds Purchasing Card issued to me as above because (* - Please indicate reason):

- I no longer have a use for the card;*
- I am changing job;*
- I am leaving the Company's employment;*
- Other (please specify)*

On the last day of use, I will cut my card in half / through the smartcard chip and return it to your Programme Administrator, who will destroy securely and give advance notification to Lloyds of the date of cancellation (Minimum of 30 days must be allowed)

Signed (Cardholder)	
Date	
Signed (Cardholder's Manager)	
Print Name	
Date	
Lloyds notified by	
Date Lloyds Aware	

Lloyds Call Centre Details – [0800 096 4496](tel:08000964496)

Appendix C - Chair of Governors Declaration of Intent for the school to apply for a Purchasing Card

Details

School Name	Ellen Wilkinson Primary School
Chair of Governors Name	

Have you been made aware of the risks associated with the use of Purchasing Cards?	YES / NO
How many cards is the school permitted to have	
Are you satisfied the security procedures the school proposes are robust with regards to the use of Purchasing Cards?	YES / NO
Has full Governing Body approval been given?	YES / NO
Date of Meeting of the full Governing Body when approval was given	

Have you and the Governors seen and approved:

The Lloyds terms and conditions for the Corporate Purchasing Card?	YES / NO
The school's Purchasing Card Policy document on the use of the Corporate Purchasing Card and procedures to be adopted in school?	YES / NO
Date of meeting of the full Governing Body when the Policy was approved	

Who are the card holders and what are their transaction and monthly limits? Please check the box below if you are increasing the amount on a card currently already held.

Name	Position	✓	Transaction limit	Monthly Limit

Chair of Governors Authorisation

Signed:

Dated:

Appendix D - Authorisation to Pay by Purchasing Card

Authorisation number (school to allocate sequentially)	
Requestor's name	
Item(s) requested	
Total cost	
Code & cost centre	

Does this purchase represent Best value and is this in line with the school's sending priorities?	
Budget holders signature	
Requestor's signature	
Authorised by (Name)	
Authorised by (Signature)	

Invoice number	
Agrees to costs provided above	YES
Total cost (£)	
NET cost (£)	
VAT (£)	
Invoice agreed to card statement	YES / NO
Reconciled on FMS	YES / NO
Date reconciled on FMS	