



Policy: School Fund Account Procedures

Author: Donna Adam
Service: Strategic Resource Manager

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1. Introduction

There are currently two types of income/monies received by schools which must be accounted for separately.

The first type is money received from parents/carers for school meals, school milk and bus tickets (if applicable), which are receipted into the West Lothian Council bank account.

The second type of income is all other money received by the school which referred to as '**school funds**'. Examples of money received as school funds are donations, fund raising activities (including monies raised by Parent Council and given to the school), contributions from parents towards school trips/activities, purchase of school uniform, book fairs, school photos and grants which the school have applied for etc.

These funds are administered by the receiving school for the benefit of the school and do not come within the budget of, or under the direct administration of West Lothian Council, Education Services and are receipted into the school fund bank account. The bank account should be held with the Bank of Scotland to enable the monies to be uplifted by the cash uplift service (where applicable).

These procedures aim to support staff with the administration of school funds. All Head Teachers and all staff involved in handling funds must be aware of these procedures. A copy is available to download from the Education Services section on the Council's Intranet page.

These procedures cover all activities where monies are received as school funds. *Should a school need clarification they should contact their Area Business Support Manager / Resource Officer.*

All schools must use iPayimpact (on line payment software) for receipting individual pupil funds and use FundsMaster for all other payments. FundsMaster software is the accounting package for schools to record their school fund transactions to enable them to prepare monthly and annual accounts which must include a reconciliation with the school fund bank account.

2. Legal Framework

School staff, under the leadership/direction of the Head teacher, act as custodians of the funds. As they do so, as employees of the council, it necessarily follows that the council is responsible ultimately for the safekeeping of such monies, and may be called upon to make good any losses that may occur.

The council is therefore entitled to audit the school fund when required and has a responsibility to ensure that adequate financial and administrative control is maintained over these funds.

3. Management

Whilst some work may be delegated, the Head teacher is ultimately responsible for the maintenance of proper accounting records, presentation of accounts and ensuring proper use of school fund account(s).

The school fund must be an agenda item for discussion on a termly basis between the Headteacher/ABSM and spending plans agreed with the Parent Council (or other relevant parent forum) on at least two occasions annually.

Annual financial statements MUST be prepared and audited / verified; the audit/verification should be undertaken by a person independent of the School Fund e.g. Area School

Business Manager, Administrator from another school, experienced parent or an external auditor (paid for by the school). Further audits of school funds may be undertaken by the council's Internal Audit Section.

4. Administrator

The administrator (usually a member of school office staff) is responsible for the safe custody of the funds, the proper accounting of receipts and payments, reporting to the Parent Council as required on matters related to the funds, and the preparation of the annual accounts. Training /support for the administrator will be provided by the school's Area BSM/Resource Officer.

To safeguard his/her own interests an administrator leaving office should arrange for the accounts to be prepared locally and verified/audited at that date. The administrator should also obtain certification from the incoming administrator (or head teacher) of the amount of cash and bank balances being handed over.

5. Bank Account

A single school fund account must be held with the same bank as the Council which is currently the **Bank of Scotland** to enable the school to use the cash uplift service (where appropriate).

The account should be in the name of the School Fund (e.g. Bathgate Primary School Fund). The account must have a minimum of three signatories including the Head teacher. Cheques / other banking instructions should require two of these signatures and should not be the recipient of the cheque. Schools should ensure that any account set up pays interest on accrued balances. Schools should ensure that interest is paid gross of tax.

The transaction through the bank account must be accounted for through the FundsMaster software.

6. Operating the Account

The school should obtain a cheque book, a bank pay-in book (if not contained in the cheque books). These should be kept in the school safe.

School fund cash must be kept separate from other funds e.g. WLC imprest cash or school meal money. The cash box(es) should be held in the safe and the keys to cash box/ safe should only be accessed by a limited number of nominated staff and held securely.

Payments:

Where possible, the school should make payments by cheque rather than cash or ideally via digital banking. This provides a record of the transaction on the bank statement. Details of the amount and payee should be written on the cheque book stub.

Staff must never sign a blank cheque. They must ensure that the cheque is fully completed with the date, the payee and the amount in words and figures. If it is a payment to a supplier for goods, you must have an invoice at the time you write the cheque.

If one cheque signatory is going out of school to make a purchase, then the other signatory should complete the date and payee before signing the cheque. A receipt must be obtained for the purchase. Both cheque signatories are jointly responsible for the cheques that they write.

If you have to cancel a cheque (e.g. because of a mistake when writing it out) you should write the word 'CANCELLED' on it in large letters. Cancelled cheques should be stapled within the cheque book.

Income:

Where ever possible schools should encourage parents/carers to make payments on line using Ipayimpact, thus reducing risk to pupils and staff in handling cash.

All cash money must be recorded/receipted by the staff in the school office. Small sums of money may be collected by teaching or support staff in the classroom (such as for dress down days etc), but the money must be taken to the school office on a daily basis.

School trip payments should be made directly to the school office by the parent/carer if they do not wish to use Ipayimpact.

Where sealed envelopes are used by a school they are to be taken to the school office on a daily where they will be opened, wherever possible by two staff, and details then entered into iPayimpact for the individual pupils.

If there is a discrepancy between the details on the envelope and the money inside the envelope the parent/carer is to be contacted immediately. Only the value of the actual money received is to be entered into iPayimpact. *Reminder for primary schools: keep school fund income separate from Council income – the envelope may contain payment for a trip and meals at the same time.*

Where individual pupil payment needs to be identifiable, then the money must be receipted in the iPayimpact pupil account. If an email address is recorded for the parent an email receipt should be sent immediately from iPayimpact.

If a paper receipt is requested it can be printed then or any time later. All individual payments are recorded against the pupil and can be reported upon within the financial year.

Activities such as 'Dress down day' where pupils would take their £1 coin to class can be marked off as normal, with the bulk money coming to the school office to be recorded in bulk directly into FundsMaster, not on individual pupil accounts in iPayimpact.

Where income is paid into the account via FundsMaster, a duplicate receipt should be used. The top copy should be issued to the depositor and the bottom copy retained.

Reports are run from iPayimpact when banking and the collated report for school funds is input into FundsMaster

For primary schools a separate iPayimpact report is run for milk and meal money paid directly to the school and is used to balance the banking into the council bank account.

Money paid into the school bank account through online banking should be reconciled with iPayimpact reports weekly with details entered into FundsMaster. (Money paid online for meals and milk will be direct credited into the Council bank account and therefore no reconciliation is required from the school).

All income should be banked intact and timeously at least on a weekly basis, if no cash uplift service is available.

The money should be placed in a secure bag or wallet and then sealed. The money should be checked by staff prior to the bag being sealed. This should be evidenced in a banking register or similar record by the initials of both staff members. There should also be a record in the **Banking Register - Appendix 1**, of who has uplifted the money for banking (cash uplift service provider, FMA, School staff) and on which date /time.

If the accumulated sum of the School Fund/s exceeds £15,000 (primary)/£40,000 (secondary) at the end of the school fund year, this should be reported to the

Headteacher/ABSM. This should be tracked on a monthly basis thereafter until the level of the School Fund Procedures – Revised August 2022

account drops below the trigger value. Schools may achieve these figures as part of supported projects or residential ventures and it is important that the good practice in reporting supports Head teachers in the audit process.

School Meals

Primary Schools:

In primary schools' meals are ordered/recorded in the classroom through iPayimpact. The orders for the class are placed directly into the software package. Those parents who have gone on line and pre ordered their child's meal will already have their choice showing for their child. The other children will request as normal and have their choices ticked.

All school meal monies must be forwarded to the school office and not taken by catering/kitchen staff.

As iPayimpact is linked to SEEMiS all pupils entitled to a free school meal will automatically have credits applied to their accounts.

As the cash received and the meals ordered will not necessarily match, if ever, there is no requirement to do the meal reconciliation sheet each day. Council central staff are able to run their own reports from iPayimpact detailing the meals ordered from every school.

Following input of the daily income a report is to be run in iPayimpact listing pupils who have ordered meals and do not have sufficient credit to cover the costs. As per current practice parents are to be immediately contacted to recover the debt.

At a time agreed with the catering kitchen the administration staff will daily run off a central report for the school from iPayimpact detailing the total numbers for each meal choice.

7. Financial Records

All schools must use the most up to date version of FundsMaster software, currently version 3.1, by Carn software. All schools are to upkeep support payments so when a new version is introduced all schools move to it and uniformity is maintained.

Detailed financial records must be kept of all transactions within the fund.

An invoice or receipt must be obtained as evidence of all expenditure transactions - cash or cheque and cross referenced to accounting records.

All receipts invoices, cheque stubs, bank statements and financial/trading statements must be retained for **six** financial years, plus the current year for audit purposes.

Bank statements are to be requested from the bank on the last day of each calendar month or downloaded via digital banking. The statement should be scrutinised for the following:

- Accuracy of entries –check each entry on the bank statement against the deposit and cheque books.
- Direct debit, direct credit and standing orders – check these are valid.
- Interest received.
- Bank charges – check these are appropriate with the bank.

Any item not detailed in FundsMaster will need to be updated before undertaking the bank reconciliation.

8. Bank Reconciliation

It is important that a **reconciliation** of the bank statement with FundsMaster is undertaken each calendar month and a record of this is kept. As a monthly bank statement (paper copy) may not be received depending on frequency of transactions through the bank account, on line banking maybe beneficial.

You should be aware that deposits may take a day or two to appear on the bank statement whilst cheque payments may not appear on bank statements for several weeks. These timing differences should be reflected on the reconciliation statement.

Where possible a person independent of the daily control of the account should perform reconciliations between accounting records and bank statements on a monthly basis with all discrepancies investigated. This ensures the monies are independently monitored and any errors are timeously corrected.

The Head Teacher is to sign each monthly FundsMaster bank reconciliation statement and the ABSM/RO is to check termly that the procedures are being followed.

9. Year End Accounts

At the end of each school session the end of year procedures on FundsMaster are to be completed and the following reports produced: Opening bank statement, closing bank statement, Balance Sheet, Year End School Funds Statement and the final month's Bank Reconciliation.

Year end should be 31 July, as that will provide time for cheques to be present and they will be no deposit during the school holiday period.

These three reports, the two bank statements and the signed audit/verification statement and checklist are to be scanned and forwarded by email to the **Resources Team based in Education HQ, Civic Centre by 31 October each year** (www.ipay-fundsmaster@westlothian.gov.uk).
Compliance – Appendix 3

10. Tax Position

In general, the school fund **does not** require to be registered for VAT.

11. Insurance

The council insurance policy applies to money that is the property of the council or for which it is legally liable. For schools, the school is part of the council so school fund money is covered subject to the policy terms and conditions.

However, any Parent Teacher Association would be treated as a separate organisation and require its own insurance. Council staff should not be a signatory on a PTA or Parent Council bank account.

Under the terms of the council policy: The school is responsible for all losses below £1,000.

Losses from safes are not covered if the keys or the combination code is left on the premises whilst the establishment is closed for business.

Money must be kept in a safe suitable for the amount held whilst the premises are closed for business. Schools should have Secureline safes and must not hold more than £3,000 (£10K for secondary) overnight.

If staff take money to the bank they should vary the time and route and not more than £2,500 should be carried by a single person.

12. Role of the Auditor / Verifier

The auditor / verifier should be someone independent of the management of the fund, for example another suitably experienced member of the school staff or a suitably experienced parent/carer. Schools may audit another school's accounts.

The auditor / verifier must be satisfied that:

- Proper and adequately detailed records of expenditure and income have been kept and made available for the audit;
- Financial statements drawn up are in accordance with the books and papers submitted for audit.
- Satisfy him/herself that the money raised and spent by the School Fund is within the terms of the constitution, or aims and objectives (if any).

The auditor / verifier should use the school Fund Checklist - **Appendix 2** and issue a signed statement that should be kept with the financial statement to which it refers. The auditor should comment on anything that is found to be amiss as the absence of any statement is interpreted as satisfaction with the accounts.

The auditor/verifier should report any findings or recommendations for improving the book-keeping to the Head teacher.

Any financial discrepancies should be reported to the Head teacher, and WLC Internal Audit if considered serious.

It may not always be possible to get a suitably qualified volunteer to audit the school fund and as such a small gift (see clause 13.3 below) from the school funds may be purchased.

An example of the auditor's statement:

"I have audited/verified to the best of my knowledge that the Balance Sheet of the _____ School Fund in respect of year ended _____ 201X_____, and the Statement of Funds as at that date, and from the books and papers submitted for audit/verification and from explanations given, and I certify that the foregoing accounts are in accordance therewith."

13. Purchase of Goods/ Services via WLC Suppliers/ PECOS

13.1 PECOS

Items which are used by the school in pursuit of the education of its pupils using school fund monies, may be purchased from West Lothian Council suppliers via PECOS. ***This enables schools to benefit from preferred contract rates and to take advantage of the VAT position of the authority.***

When a payment is processed locally by a school via PECOS, copy details must be sent to the Education Services finance team within Civic Centre, Livingston, accompanied by a cheque reimbursement from the school fund bank account equivalent to the invoice total, net of VAT.

Schools should ensure the purchases of items such as PCs, laptops, health and safety equipment etc are made via WLC suppliers to ensure they are supported by corporate IT and meet other relevant corporate policies.

13.2 Purchases from Non-PECOS Suppliers

Purchases can be made from non-PECOS suppliers using the school fund if required. However, the school will NOT be able to re-claim the VAT on such purchases and should follow council procurement procedures as per any other purchase.

13.3 Personal Purchases

Personal purchases for staff or pupils **cannot** be made through the school fund. The only exception is portable musical instruments that may be purchased on behalf of pupils who receive instrumental music lessons through the WLC Instrumental Music Service.

Head teachers may decide to purchase small 'gifts' where exceptional circumstances arise. These may include e.g. small flower arrangements or, chocolates but such gifts must not include any fortified wines or spirits (as per the HMRC guidelines). Head teachers should ensure there is an equitable approach to all stakeholders.

13.4 Purchases on Behalf of Parents/Carers, Staff and Pupils

Schools may offer articles for sale through the school on behalf of commercial organisations for example books, school trips, photographs, year books, diaries and clothing. The purchase of such items must be optional.

Goods and items subject to VAT, such as school photographs, cannot be purchased through the authority's payment systems net of VAT where the goods and services are sold on to parents/carers, staff, pupils or other individuals.

School trips may only be procured through the authority's payment systems net of VAT when they are in pursuit of the education of pupils.

13.5 Donations / Fund Raising

Schools should use the school fund to record the receipt of all donations/fundraising from parents and parental bodies including Parent Councils, PTA etc.

14. Departure of Head teacher

It will be the new Head teacher, or acting Head teacher's responsibility to ensure that the full year's accounts are prepared and audited supported by the Area BSM/RO. Authorised signatory lists etc should be updated with the bank immediately. The departing Headteacher should ensure all balances and monthly reconciliations have been signed off.

School Fund Accounts – Checklist for Verifiers / Auditors

School fund procedures detail that the verifier / auditor must be satisfied that:

- Proper and adequately detailed records of expenditure and income have been kept and made available for the audit.
- Financial statements drawn up are in accordance with the books and papers submitted for audit.
- Money raised and spent by the School Fund is within the terms of the constitution, or aims and objectives (if any).

The verifier / auditor should comment on anything that is found to be amiss as the absence of any statement is interpreted with satisfaction with the accounts.

The table below outlines the requirements of the school fund procedures and best practice which should be considered as part of the verification / audit of the school fund accounts.

This checklist is intended to assist the appointed verifier / auditor however is not necessarily exhaustive. Responsibility for conducting an effective verification / audit rests with the appointed person and any queries should be addressed in the first instance to the **Resources Team based in the Civic Centre, Livingston**.

	Requirement	Testing	Results (Record outcome of enquiries, documents reviewed/sampled or refer to other records)	Compliance (Note whether or not there is compliance with procedures)
1	A trained administrator is in place and provides updates to relevant parent forum at least twice a year. Report twice annually to relevant parent body	Confirm named administrator and record of training. Minutes and record of updates to parent forum.		
2	The bank account should be in the name of the School Fund. The	Confirm the bank account is in the name of the school		

	Requirement	Testing	Results (Record outcome of enquiries, documents reviewed/sampled or refer to other records)	Compliance (Note whether or not there is compliance with procedures)
	Bank of Scotland is the approved Bank to be used by all school funds.	fund/appropriately named e.g. WLC Letham Primary School Fund		
3	Cheque accounts must have three signatories <u>including</u> the Head Teacher. No cheques can be signed without a receipt. No cheques can be signed by the receiver of the payment.	Confirm there are an appropriate number of signatories on all accounts. Confirm no cheque signatories signed own cheque. Confirm all cheque payments are matched with a receipt (no minimum).		
4	Cheque book, bank pay-in book, purchase cards, deposit account passbook (all if applicable) should be kept in a secure location/school safe.	Confirm what documents/cards are held and where they are held. PIN number for purchase card must be kept separate from the card. Only the card holder named on the card can use		

	Requirement	Testing	Results (Record outcome of enquiries, documents reviewed/sampled or refer to other records)	Compliance (Note whether or not there is compliance with procedures)
		it as per the Council's Purchase Card procedures.		
5	School fund money/cash must be separate from other funds e.g. school imprest/petty cash, school dinner money.	Confirm that all monies funds are held separately within the school safe prior to banking.		
	All School fund years should be 01 August – 31 July All bank statements must be first day of the month to last day of the month	Confirm dates of school fund and bank statements.		
	All cash received from events/shows must be counted by two members of staff on the day of the event/show and the amount plus names of counters recorded before securing.	Confirm record/receipt of any cash income matches event/show date received and named counters. Receipt in Ipayimpact.		
6	Cash boxes should be held in a secure location, ideally in a safe,	Enquire where and how cash boxes are held.		

	Requirement	Testing	Results (Record outcome of enquiries, documents reviewed/sampled or refer to other records)	Compliance (Note whether or not there is compliance with procedures)
	and keys should be held by a limited number of officers.	Confirm that cash is held in the safe overnight.		
7	Overnight safe limits for schools should not be exceeded. £3K primary £10K secondary School fund banking must be done along with other school banking – Bank of Scotland pick ups Schools must wherever possible use on-line banking	Confirm with the school that it is aware of the overnight insurance limit for the safe and that it is not exceeded.		
8	A brief analysis of types of income received is recorded on pay-in stub and all income should be banked timeously and intact.	Review bank pay-ins and compare to bank statements to confirm income analysis is done and income is banked timeously and intact.		

	Requirement	Testing	Results (Record outcome of enquiries, documents reviewed/sampled or refer to other records)	Compliance (Note whether or not there is compliance with procedures)
		For a verification 5 random funds should be chosen and 3 random transactions per fund should be verified as genuine and matching supplier, payment, and records of transaction.		
9	The day's takings should be placed in a sealed bag or wallet and should be checked by two members of staff – the check should be evidenced in banking register or similar.	Review register for pay-ins and ensure that two signatures are present in all cases.		
10	Bank interest should be paid gross of tax.	Review bank statements and confirm interest is paid gross.		
11	All material cash contributions (no minimum) received should be receipted using a duplicate/pre-numbered receipt book. Parents should be encouraged to make	Review income transactions and confirm a corresponding receipt has been issued.		

	Requirement	Testing	Results (Record outcome of enquiries, documents reviewed/sampled or refer to other records)	Compliance (Note whether or not there is compliance with procedures)
	payments on line using lpayimpact.			
	Purchase cards can be assigned to individual members of staff and cannot be used by others to make any transactions	Confirm that purchases are only made by the employee named on the card		
	Purchase cards must be secured by the user and never used by others under any circumstances			
	All requested purchase card transactions must be preceded by an email confirming: the item: the use: the company: confirming Head Teacher approval Post order: Receipts/delivery slips for goods must be retained	Review 25% of purchase card transactions and email requests		
	All purchase card transactions should be in line with procurement regulations (e.g. use approved suppliers)			

	Requirement	Testing	Results (Record outcome of enquiries, documents reviewed/sampled or refer to other records)	Compliance (Note whether or not there is compliance with procedures)
12	<p>Fundsmaster must be used to record all income and expenditure transactions.</p> <p>All annual income and expenditure must be recorded with an individual reference number on Fundsmaster unique to the transaction e.g. - Lodgement (Year x No1, 2, 3: -Cheque numbers (over right cancelled cheques): -Interest income</p>	<p>Confirm Fundsmaster is used and contains different funds, transaction dates, descriptions and amounts and a running balance.</p> <p>Review transactions and confirm there is supporting documentation for income and expenditure e.g. invoices, receipts etc.</p>		
13	<p>All entries on the monthly bank statement are updated / agreed to the Fundsmaster e.g. direct debits, interest received, bank charges.</p>	<p>Review a sample of entries and confirm they have been correctly recorded in the cash book.</p>		
14	<p>A monthly bank reconciliation is undertaken i.e. between bank statement and Fundsmaster.</p> <p>If possible, a person other than the school fund administrator should perform reconciliation</p>	<p>Review bank reconciliations (including year-end one) and ensure balances agree to bank statement and school records, and that appropriate format is used.</p>		

	Requirement	Testing	Results (Record outcome of enquiries, documents reviewed/sampled or refer to other records)	Compliance (Note whether or not there is compliance with procedures)
	Reconciliation must be signed as approved by Head Teacher			
15	Receipts, invoices, cheque stubs, bank statements and financial statements are retained for six years, plus current year.	Confirm that documentation is adequately retained.		
16	Annual accounts are prepared which include an Income and Expenditure Account and a Statement of Funds.	Confirm that appropriate annual accounts are prepared.		
17	Opening and closing cash and bank balances are in agreement with the accounting records and reconcile to the bank statements.	Confirm that opening and closing bank balances are correct.		
18	At the end of each school session the end of year procedures on FundsMaster are to be completed and the following reports produced: Opening bank statement, closing bank statement, Balance Sheet, Year End School Funds Statement and the final	Recording submission of complete verified / audited returns: incomplete submissions will be returned to school and recorded as not submitted until complete submission is received		

	Requirement	Testing	Results <small>(Record outcome of enquiries, documents reviewed/sampled or refer to other records)</small>	Compliance <small>(Note whether or not there is compliance with procedures)</small>
	month's Bank Reconciliation. These three reports, the two bank statement and the signed verification statement are to be scanned and forwarded by email to the Resources Team based in Education HQ, Civic Centre by 31 October each year.	Council Audit Department will audit as appropriate		

School Fund Account Procedures
Annual Checklist of Compliance

Month	Activity	HT signature of compliance
June	Year-end accounts to be completed (see section 9 of procedures)	
August	HT refresh/read School Fund Procedures	
August	School Fund Account with Bank of Scotland / Three signatories of staff employed within establishment / Cheque book and Pay-in book	
August	FundsMaster software installed with most up to date version	
September	Audit/Verification of previous academic session's accounts	
October	Documentation to be sent to Resources Team (see section 9 of procedures)	
End of each calendar month	Bank statements to be received and reconciliation – monthly signed records kept	
Termly	ABSM / RO monitors procedures are being followed	
Twice annually	Report provided to relevant parent body on School Fund position / statement	
June	Year-end accounts to be completed (see section 9 of procedures)	
Retention	Six financial years to be kept	

EDUCATION DEPARTMENT: PURCHASE CARD KEY MESSAGES

- All Purchase Card Holders / Approvers (Head Teachers, Teaching Staff, Non-Teaching staff must conduct the mandatory Procurement Training and complete PECOS training
- All Purchase Card Holders / Approvers (Head Teachers, Teaching Staff, Non-Teaching staff must read and apply: The West Lothian Council Purchase Card Procedure: Purchase Card Holder Guide: Purchase Card Approver Guide and Procurement Toolkit as appropriate (Links at end of crib sheet).
- All Purchase Card Holders / Approvers (Head Teachers, Teaching Staff, Non-Teaching staff failing to comply with the Procurement Procedures or found to be mis-using their purchase card will have their cards cancelled and may be subject to disciplinary procedure
- The use of a Purchase Card is subject to Procurement Legislation and Guidance in the same way as PECOS purchasing.
- Purchase cards can only be used by the card holder. There are NO exceptions and failure to follow this instruction will be considered mis-using the card. Cards cannot be taken out on field trips by other staff or used by any other member of staff other than the Card Holder.

Purpose of a Purchase Card

- Purchase Cards should be used to purchase low value, one off purchases with a value of below £1000.
- Purchase cards must **NOT** be used if there is a supplier that can provide the same service/resource through PECOS. Individual purchases in a school may appear cheaper or quicker to access through a new supplier or large intermediary e.g. Amazon but these must not be used when a supplier exists on PECOS
- Procurement thresholds are based upon an aggregated purchase value, so multiple purchases from a single supplier may be added together. Consolidated purchases from a single supplier must be treated in line with Procurement threshold regulations. Failure to do so may lead to a breach of procurement legislation.
- Purchase card details must never be held by a supplier despite access to free delivery, discounts etc
- Prior to making a purchase from a supplier that is not on PECOS, consideration should be made to whether other Education Establishments would need the service/resource. If other Education establishments are likely to use the same supplier a request should be made to add the new supplier to the existing list of suppliers.
- Purchase cards must NOT be used for personal purchases
- Purchase Cards must not be used for hospitality or subsistence payments as this must be processed via HR Pay and Reward to comply with taxation regulations.
- A list of commodities permissible and non-permissible is found on the Procurement Guidance (see link). The list is not comprehensive and if in doubt a query should be made to the procurement team (CPU.CPU@westlothian.gov.uk)

Key Responsibilities of a Purchase Card Holder

- All Purchase Card Holders must complete mandatory procurement training
- All Purchase Card Holders must undertake PECOS training to categorise and identify suppliers
- All purchase requests must be approved and signed off by the Head Teacher / other senior approver before ordering. Records must be kept of approved purchases.
- All Purchase cards transactions will appear on a Purchase Card Statement on (Smart Data Online – <https://businesscard.rbs.co.uk>)
- Purchase card holders must ensure that every transaction is coded to the correct cost centre and subjective code. If you do not have access to an individual cost centre or subjective code you should request access by submitting a PC02 form to the Purchase Card Team
- Purchase Card holders must provide a narrative describing the reason for the transaction and split the transaction for VAT if necessary
- The card holder must electronically attach relevant receipts or invoices in the Smart Data Online System when reviewing the transaction. This allows the authorising officer to check the back-up information prior to approving.
- Card holders should retain receipts or invoices for six years for VAT and audit purposes.
- All transactions must be electronically authorised by their Line Manager / Authorising Officer using the Smart Data Online System within 4 weeks of the transaction. A repeated failure to authorise within 4 weeks may lead to the purchase card being cancelled.
- Prior to employment termination all outstanding transactions must be approved by the Head Teacher
- Prior to Termination the Card holder must destroy the card and present it to the Head Teacher

Key Responsibilities of a Purchase Card Approver

- All Purchase Card Approvers must complete mandatory procurement training
- The Head Teacher / Approver's role is to ensure compliance with the Procurement and Purchase card Procedures
- The Head Teacher / Approver's role is to agree the most appropriate Purchase Card Holders and submit New Cardholder requests using the online form (see link below). The Approving Head Teacher / Manager must include a business case detailing the type of expenditure the card will be used for
- The Head Teacher / Approver's role is to remove the card holder rights as appropriate (e.g. termination, long term sickness etc). The Head Teacher / Approver must approve any outstanding purchases and destroy the purchase card before the card holder leaves the school.
- The Head Teacher's / Approver's role is to create a clear local process for purchase requests and the use of the purchase card in the school. The responsibility includes communicating and reinforcing the process to all staff in the school.
- The Head Teacher / Approver's role is to instruct Card Holders to make all orders and authorise the same agreed orders

- All Purchase cards transactions will appear on a Purchase Card Statement on (Smart Data Online – <https://businesscard.rbs.co.uk>)
- The Head Teacher /Approvers role is to check that the all transactions have been coded correctly, a description has been keyed and the supporting receipt / invoice has been scanned and attached in the system
- The Head Teacher / Approver's role is to electronically authorise purchases using the Smart Data Online System within 4 weeks of the transaction. A repeated failure to authorise within 4 weeks may lead to the purchase card being cancelled

Useful links

The West Lothian Council Purchase Card Procedure: [Purchase Card Procedure](#)

Purchase Card Holder Guide: [Purchase Card Holder Guide](#)

Purchase Card Approver Guide: [Purchase Card Approver Guide](#)

Procurement Toolkit: [Procurement Toolkit](#)