

PURCHASING POLICY

Rationale

The responsibility for implementation of the approved school budget, means that a wide variety of staff members have authority to purchase goods and services on behalf of the school. Such purchases need to be well monitored, need to comply with school expectations, and have to reflect the school's budgetary intentions, per audit regulations.

This document sets out for the staff of Whittlesea Secondary College the policy and procedures for the procurement of Goods and Services.

Aims

To provide an effective and efficient process for acquiring goods and services identified by school council for purchase whilst ensuring that the school complies with the Department of Education (DET) policies and procedures.

Implementation

Definitions

Assets

- Furniture or Equipment costing \$5,000 or more and
- Portable and attractive items, being non-consumable items that have a value below the \$5,000 which are susceptible to loss or theft due to their portable nature and attractiveness for personal use or resale.

Following are examples of items often meeting this definition:

- laptop computers
- mobile phones
- cameras – digital/film/video
- projectors
- printers
- televisions
- power tools
- DVD/video players
- other audit-visual equipment
- iPads

Market Value

Market value is defined as “the amount which would be paid by a knowledgeable, willing party at arms-length to the seller”. Schools can demonstrate they are paying reasonable market value for goods or services for example by an open tender process, obtaining multiple quotes, or by reference to what others have paid in a similar market.

Supplier Selection

The school may select a supplier for goods and services using a number of methods, including:

- Direct sourcing from a particular supplier
- Obtaining written or verbal quotes from suppliers
- Calling for tenders, either selectively or open

A number of factors including the following determines the method use:

- The estimate cost of the goods or services
- Product quality, availability and competitiveness of the market

- Supplier performance, reputation and service history

Supplier Selection Procedures

Minor Level Procurement (less than \$2,500)

- Goods and Services costing less than \$2,500 may be purchased without a written quotation if the purchaser knows the approximate cost, and that cost is reasonable and consistent with market rates.
- The cost would normally be ascertained from a quote (verbal or written), on-line enquiry, or frequent and recent past dealings.

Medium Level Procurement (between \$2,500 and \$25,000)

- Where goods and services are required which have a total cost of between \$2,500 and \$25,000, a single written quote is required.

Major Level Procurement (greater than \$25,000)

- Where goods and services are required which have a cost greater than \$25,000, a competitive pricing process is to be used.
- For purchases between \$25,000 and \$150,000 a minimum of at least three written quotes are to be obtained from competitive suppliers and attached to the successful purchase requisition.
- For purchases over \$150,000 the purchase should be submitted to formal tender. Depending on the subject matter, expressions of interest may precede the calling of either an open or a selective tender.

Purchases from a Sole / Preferred Supplier

- Proprietary lines and items obtainable from one firm only may be purchased without observing the full procedures relating to items costing more than \$2,500 provided the school council consider the item represents value for money. However, public tenders are to be invited for all items with a value in excess of \$150,000 and the standard procedures are to be observed.

Policy Prohibitions/Restrictions

Conflicts of interest

- The purchase of goods and services from business entities owned or controlled by relatives, staff members or close friends is prohibited without the prior approval of the Principal.

Purchase Process

Purchase Orders

- Generally, all school purchasing is to be done through the Purchase Order system on COMPASS. It is mandatory that approval be obtained prior to the spending of any school funds. Approval is generally in the form of an Official Purchase Order.
- No purchases shall be made without an Official Purchase Order form except for petty cash items approved by the principal or delegated officer. Official Purchase Orders must be authorised by the Curriculum Manager and then approved by the school Delegate prior to any expenditure.
- School purchase order forms are only to be used for purchases that are paid from school funds, not private purchases. No duplicate of an order shall be issued. Any order issued in replacement of an order not received by a supplier shall state that it is a replacement order.
- If an official school purchase order is not raised prior to making the purchase, the staff member who placed the order could be personally liable for the cost of goods ordered. This will be at the discretion of the principal or delegated officer.
- Curriculum Managers will be provided with regular financial reports indicating the expenditure history of their respective budgets and unspent balances. However, it is the Curriculum Managers responsibility to ensure that there is enough funds available within their Sub Program Budget prior to any expenditure.
- Curriculum Managers responsible for budgets will also be responsible for checking goods that arrive against orders, and communicating the results with the main office.

Credit Card Purchases

- The school holds three credit cards, which are utilised when a purchase can be only completed using this transaction method.
- Only the Principal and the Assistant Principals have authorisation to utilise the school purchase cards.

Petty Cash Purchases

- A petty cash float is maintained by the main office staff to cover minor and infrequent acquisitions requiring a cash purchase of less than \$20.
- A tax invoice is required and must document all business related expenses.
- Petty cash expenses maybe recouped via a Reimbursement Claim.

Purchases using Personal Funds

- Staff may incur school expenditure, which is funded from personal finances (e.g. cash or personal credit card). Reimbursement of this expenditure may be claimed by providing a tax invoice from the supplier. Assets or items costing in excess of \$200 should not be acquired using personal funds.
- All purchasing must occur for legitimate school business purposes only. Any purchase that includes an element of private expenditure is to be funded by private means (e.g. Cash debit or personal credit card), with any business expense component being recouped via Reimbursement Claim.
- Reimbursement requests will only be tolerated if there is prior approval from the Principal or Business Manager. Receipts or tax invoices must be presented, and GST will not be included in the amount reimbursed.

OHS Checklist

- The [DET OHS Purchasing Checklist](#) (refer to Appendix A) is to be completed when purchasing, hiring, leasing, or when donated goods with potential OHS risks are to be introduced to the workplace.
- The Checklist can be completed by any DET employee in consultation with the HSR, and approved by the Workplace Manager and/or Management OHS Nominee.
- If a material or substance has a Material Safety Data Sheet associated with it, this should be obtained and considered prior to purchase.

Gifts

- Any school funded gifts for departing, grieving, sick employees etc. are to be approved explicitly by the Principal or delegate and issued through him/her on behalf of the school. The definition of gifts includes vouchers, flowers, meals, entertainment etc.
- Personally funded gifts are at the discretion of the employee, but cannot be reimbursed by the school.

Payment Process

- Suppliers are paid by cheque or EFT as soon as is reasonably possible following receipt of the statement or invoice.
- All payments require a dual payment authority. Two bank account signatories (Normally the Principal and a School Council Committee Member) countersign cheques.
- Authorisation for the payment is recorded on the Payment Voucher by the Principal, School Council Nominee and the Business Manager and only after checking that the purchase order has been correctly approved and the supporting paperwork is in order.

Related Legislation and Policies

- [DET Finance Manual for Victorian Government Schools](#)
- [DET OHS Purchasing Requirements](#)
- [DET OHS Purchasing Checklist](#)

Appendices

- Appendix A: DET OHS Purchasing Checklist

Evaluation

This policy will be reviewed as part of the school's three-year review cycle.

This Policy was last ratified by School Council in: 2017

APPENDIX A

DET OHS Purchasing Checklist

This checklist is to be used for the purchase, hire, lease or donation of goods with potential OHS risks.

Date:	
Workplace:	
Item being purchased:	
Name of person conducting assessment:	

Section 1

Pre-purchase Checklist	
1. General	
The end user and the Workplace Manager has been consulted regarding the purchase	Yes <input type="checkbox"/>
Consideration has been given to how the item will be used, transported and stored in the workplace (e.g. chemical storage cabinet)	Yes <input type="checkbox"/>
The product specifications advise that the product meets Australian Standards	Yes <input type="checkbox"/>
An operation manual is required and available	Yes <input type="checkbox"/>
Training, changes to work practices/supervision required for safe use has been considered (e.g. Safe use of Machinery if Technology Teaching)	Yes <input type="checkbox"/>
Consideration has been made to ergonomic risks (e.g. purchase of bulk order of chairs)	Yes <input type="checkbox"/>
Consideration has been given to post purchase installation, auditing and maintenance requirements (e.g. playground equipment, basketball ring, roof anchor points).	Yes <input type="checkbox"/>
2. Chemicals	
A Safety Data Sheet (SDS) has been obtained and reviewed (available from GoldFXX or the product manufacturer/supplier)	Yes <input type="checkbox"/>
Chemical Guidance Sheet 3 has been checked to ensure it is not a DET prohibited or restricted substance	Yes <input type="checkbox"/>
3. Plant /Machinery	
Relevant guarding is fixed to static machinery or provided ready to be installed	Yes <input type="checkbox"/>
Appropriate space has been allocated for static machinery operation (minimum 800mm)	Yes <input type="checkbox"/>
4. Personal Protective Equipment (PPE)	
PPE has been obtained and is available for use	Yes <input type="checkbox"/>
Employees have had training in the correct use and care of required PPE	Yes <input type="checkbox"/>

5. Risk Management

A [Risk Assessment](#) or [Safe Work Procedure](#) is required to be completed (to be completed if the risk is unable to be eliminated immediately) Yes

Hazards potentially introduced following the purchase, hiring, leasing or donation of goods:

Controls to be implemented

Electrocution

Noise

Manual handling

Crushing / amputation

Biological / chemical

Dust/ fumes

Fire / explosion / cut / laceration

Burns (hot/cold)

Other:

Section 2

Receipt of Goods

Goods received conform to order specifications?

Yes

No

Note: Goods are not to be accepted if they do not conform to specifications.

Sign Off	Name	Signature	Date
Workplace Manager/Management OHS Nominee			
Workplace Manager/Management OHS Nominee			

If further advice or assistance is required in completing this Checklist, please contact the **OHS Advisory Service** on **1300 074 715** or e-mail safety@edumail.vic.gov.au.