



# Purchasing & Payment Policy

Review Date: May 2019  
Next Review: 2022  
Version: 1.2

## Rationale

*Emmaus Catholic Primary School* has introduced a Purchasing Policy, for use by the staff of the school, to streamline purchasing processes and to increase purchasing flexibility. Also to obtain high quality goods and services at a reasonable cost and to conduct its purchasing procedures in a fair and impartial manner.

This policy sets out the requirements and advice for the purchase of goods and services. It explains the types of goods and services that can be purchased, the financial limits that apply and the staff member's responsibilities. It also sets out guidelines in relation to obtaining quotes and tenders, as well as a process to minimise risk of creditors' fraudulent Masterfile changes.

The purchasing policy of *Emmaus Catholic Primary School* is subject to the terms and conditions set out below:

## Definitions

- **Discretionary expenditure** is school-related entertainment expenditure, where the inclusion of such expenditure type has been approved by the Principal. The following questions should be asked to determine the appropriateness and/or reasonableness of discretionary expenditure:
  - Does it support *Emmaus Catholic Primary School* goals?
  - Could it be justified to a stakeholder?
  - Could publicity about the expenditure or occasion adversely affect *Emmaus Catholic Primary School*?
- **GST** is goods and services tax.
- **Input Tax Credit (ITC)** an input tax credit, the GST included in the price of legitimate business expenditure, which can be claimed against the amount of GST that *Emmaus Catholic Primary School* owes the Australian Taxation Office (ATO).

## Principles

**Personal expenses** - Purchases are to be made for legitimate school expenditure only. School funds are not to be used for personal expenses under any circumstances.

**Prudence** - The Principal is expected to exercise prudent judgement regarding all school expenditure.

**Accountability** - The Principal shall be accountable for the management and expending of *Emmaus Catholic Primary School* resources. The Principal shall provide sufficient explanations to justify purchases and to allow *Emmaus Catholic Primary School* to claim ITCs for purchases wherever possible.

**Preferred Suppliers** - Where *Emmaus Catholic Primary School* has arrangements with preferred suppliers, for example for computing equipment and maintenance, stationery, security, such

purchases should be made in accordance with those arrangements. Preferred Suppliers are listed in, but not limited to, Schedule B. Preferred supplier agreements will be established for no greater than three (3) years and authorised by the Principal as recommended in Chapter 6.5 CECV Purchasing and Payment Procedures. See Schedule B – List of Preferred Suppliers.

## Purchasing Guidelines

### ***Purchase Orders***

It is recommended that staff purchase through a preferred supplier and/or a supplier that has an approved credit account with Emmaus.

Prior to an order being placed, for all purchases, a Purchase Order Form **must** be completed with all of the relevant details, (including the supplier details, school account number with the supplier, description of the goods/services, prices, and indicate the budget, AFS code to be charged) and must be authorised/signed by the Principal, Deputy Principal or delegate as per Schedule A Delegation & Authorities - List of Delegations (2).

Completion of all purchase order form details is not required when a supplier's detailed purchase order form is filled out. In this case, the purchase order form should include the value amount and be endorsed simply "as per the attached" and a copy of the supplier's detailed purchase order form should be attached to the duplicate purchase order form.

### ***Placing the order***

The Staff Member may place an order with a supplier:

1. in person
2. by phone or fax
3. by mail
4. via the internet only when the site has been confirmed secure.

The most common security symbol is the presence of a padlock usually located at the bottom of the screen, or

- A valid security certificate showing a current end date can usually be accessed by double clicking on the padlock symbol.
- Another example may be that the web address commences with https. In this case the "s" suggests it is a secure site.
- If the site cannot be confirmed as secure the order/purchase must not proceed.

### ***Receiving the goods/services***

Upon receiving the goods/services the items need to be checked to the purchase order. Locate the tax invoice which should have been provided with the goods/services and attach the purchase order. Sign the invoice to indicate that all goods are received. Contact the supplier if not all items are received. Provide the tax invoice and attached purchase order to the Finance Officer for payment.

In order for *Emmaus Catholic Primary School* to claim GST input tax credits (ITCs) on purchases a valid tax invoice must be obtained (and must be provided by the supplier upon request).

To be valid, a tax invoice **must** include the following:

- the words 'tax invoice' stated prominently
- the name of the supplier

- the supplier’s Australian business number (ABN)
- the date of issue of the tax invoice
- a brief description of the goods and services sold
- the total price of the sales (including GST)
- where the GST to be paid is:
  - exactly one-eleventh of the total price, the GST shown separately or a statement such as ‘total price includes GST’
  - less than one-eleventh of the total price, the GST **and** the total amount excluding GST, both shown separately.

## Credit Card Purchases

Credit Card purchases are only to be made when the supplier does not offer payment on invoice as a payment option and the school does not have an account with a supplier that offers the same goods or services. Staff are to prepare a purchase order authorised by a delegate listed in Schedule A, prepare the order through a secure online site and have the Finance Officer enter credit details at the payment stage of the ordering process. The staff member will check the goods on receipt against the invoice. The invoice is to be attached to the purchase order and given to Finance Officer to reconcile with credit card statement in accordance with the Emmaus Catholic Primary School Credit Card Policy.

## PayPal Purchases

Further to Credit Card Purchases procedures above, PayPal is to be used as a payment method when offered as an option instead of credit card. PayPal minimises the risk of the school credit card details being entered into numerous websites. For purchasing and payment procedures see Credit Card Purchases above.

## Creditors – Risk Mitigation Measures

When changes are requested to be made to creditor Masterfile data, especially bank accounts, staff are required to independently verify via phone to ensure the change is bona fide before processing the change. The phone number is to be accessed from the school’s database, not from the change of request. Records should be retained of changes made to Masterfile data which should include a screen shot of the audit trail on SAS.

See Schedule E – CEOB Notice – Beware: Fraudulent Emails

## Guidelines for quotes/tenders

The following guidelines are recommended for obtaining quotes and tenders:

- A minimum of **one written quote** should be obtained for purchases between **\$2,000 and \$5,000**. (Unless service being provided or received is from a preferred supplier, and performs part of an ongoing provision, supply or service. Usually a contract may be established, but not always the case.) The written quotes should be maintained on file.
- A minimum of **two written quotes** should be obtained for purchases between **\$5,000 and \$15,000**. (Unless service being provided or received is from a preferred supplier, and performs part of an ongoing provision, supply or service. Usually a contract may be established, but not always the case.) The written quotes should be maintained on file.
- A minimum of **three written quotes** should be obtained for purchases between **\$15,000 and \$100,000**, and non-capital purchases between **\$15,000 and \$50,000**. The written quotes should be maintained on file.
- Public tenders should be called for capital purchases greater than **\$100,000** and for non-capital purchases greater than **\$50,000**. Where there is only one available supplier, this should be noted on the school copy of the order. The Governors are the only persons authorised to accept tenders on behalf of the school.
- The least expensive quote will not necessarily be the successful tender.
- The final decision will be made on the highest quality for the most reasonable cost by the Principal or his / her delegates.
- In the case of an emergency, the Principal, in consultation with the Governors, is authorised to make an appropriate decision on goods and services purchased.

## Capital Purchases

Capital purchases <\$5,000 are to be recorded as a minor capital expense.

Capital purchases >\$5,000 are to be recorded as a capital expense and recorded in the asset register.

## Petty Cash Transactions

A petty cash float of \$400 is to be maintained for reimbursement of minor school expenses no greater than \$50.

- The school Finance Officer is responsible for approving transactions.
- A record of petty cash purchases should be maintained (refer to Schedule D – Petty Cash Record)
- Finance Officer to complete petty cash voucher outlining the name of the recipient, purpose of purchase and the AFS code to be charged.
- Reimbursement of expense through petty cash will be only with the provision of a cash receipt and/or tax invoice. This is to be attached to the petty cash voucher.
- The sum total of the entries in the petty cash voucher book/register and the cash remaining in the petty cash float is to equal \$400.
- A reimbursement from the petty cash float should be authorised by the Principal.

- Petty cash record, vouchers, tax invoices together with SAS Write Cheque voucher should be filed.

## Staff Reimbursements

If a staff member requires reimbursement for items purchased an Expense Reimbursement Form must be completed. All expenditure must be supported by an appropriate receipt/tax invoice. This receipt/tax invoice must be attached to the Expense Reimbursement Form and authorised by a delegate listed in Schedule A. A delegate cannot authorise their own reimbursement for personal expenditure. The forms are available from the Finance Officer see Schedule C – Expense Reimbursement Form. Reimbursements will only be provided for legitimate school expenditure, any private expenses will not be reimbursed.

## Gifts & Entertainment

The purchase of staff gifts is to be limited as excessive expenditure may have Fringe Benefit Tax (FBT) and/or income tax exposure and viewed as items in lieu of remuneration. See ATO website <https://www.ato.gov.au/Rates/FBT> for further information.

A gift can include but not limited to:

- Tickets to movies, theatre, concerts or cultural events;
- Tickets to sporting events;
- Christmas hampers or baskets of goods / produce;
- Shopping centre, store or wellbeing vouchers;
- Homewares / household goods / technology;
- Travel and accommodation;
- Alcohol.

Entertainment expenses can be interpreted as non-school (social) related expenditure and is to be budgeted to the equivalent of no more than \$100 per employee per annum. Examples of entertainment related expenses incurred by the school (excluding where staff pay for their own) include:

- Christmas lunches and dinners;
- Staff social entertainment;
- Community Leadership Team lunches and dinners.

The nature of some expenses can be regarded as school related and are not a gift or entertainment providing they are on school premises and no alcohol is served. Examples include catering for:

- Staff meeting;
- Parent teacher meetings;
- Community Leadership Team meetings.

Standard purchasing procedures as detailed above need to be followed for all gift and entertainment related expenditure (see also Conflict of Interest Policy).

## PURCHASING POLICY AGREEMENT

### ***Principal***

I understand and agree that *Emmaus Catholic Primary School* staff members will adhere to the purchasing policy as set out above.

**MISS JO-ANNE BOND**  
**PRINCIPAL**

**DATE:** \_\_\_\_\_

### ***School Governors***

We, the School Governors, agree that the above mentioned Principal will ensure the adherence to the purchasing policy.

**FR PETER SHERMAN**  
**SCHOOL GOVERNOR**

**DATE:** \_\_\_\_\_

**SR MARY NUTTALL RSM**  
**SCHOOL GOVERNOR**

**DATE:** \_\_\_\_\_

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### **List of Schedules:**

1. Schedule A – Delegations & Authorities
2. Schedule B – Preferred Suppliers
3. Schedule C - Expense Reimbursement Form
4. Schedule D – Petty Cash Record
5. Schedule E – CEOB Notice – Beware: Fraudulent Emails

### **References:**

- Emmaus Catholic Primary School Vision & Mission Statement
- CECV Financial & Administrative Procedures Manual Catholic Primary Schools
- Emmaus Catholic Primary School Credit Card Policy

## SCHEDULE A DELEGATION AND AUTHORISATIONS

The following listings is illustrative of who may take responsibility for various financial duties / functions with Emmaus Catholic Primary School. All delegations must be authorised in writing by the School Governors. The School Governors are the only persons authorised to make delegations.

All Emmaus Catholic Primary School banks accounts require two signatories as listed below.

DUTY / FUNCTION	POSITION	FINANCIAL LIMIT
<i>General School Bank Account</i>		
1. Approval of Tenders	Governors	
2. Approval of General Account (Recurrent) Budget	Principal	
3. Appointment of cheque signatories	Governors	
4. Authorisations of salary variations and salary payments	Principal	
5. Write-offs, discounts, rebates & exemptions of school (recurrent & capital) fees, compulsory tuition charges, excursions & levies	Governors / Principal	
6. Variation of Fees	Governors / Principal	
7. Approval of write-offs of lost, scrapped, damaged, obsolete, deficient or unserviceable assets	Governors / Principal	
8. Approval of opening of and transactions in investment accounts	Governors / Principal	
9. Cheque signing and payment authorisations (non-salary related)	Governors / Principal (1) (Principal and one other) (1)	\$100,000
10. Authorisation of electronic banking	Governors / Principal (1) (Principal and one other) (1)	
11. Preferred Suppliers	Delegate (1)	
12. Approval of purchase orders	Governors / Delegate (2)	<\$1,000
13. Approval of purchase orders	Governors / Principal	<\$100,000
14. Approval of purchase orders	Governors / Principal	>\$100,000
15. Approval of bus bookings, cleaning, canteen, and flowers, and staff morning tea orders	Delegate (1) and (3)	<\$500
<i>Subsidiary School Bank Account</i>		
16. Approval of Petty Cash	Finance Officer	<\$100
17. Reimbursement of Petty Cash	Principal	
18. Commitment to loans	Governors	
<i>Capital School Bank Account</i>		
19. Approval of purchase orders	Governors / Principal	<\$100,000
20. Approval of purchase orders	Governors / Principal	>\$100,000
21. Appointment of cheque signatories	Governors	
22. Cheque signing and payment authorisation	Governors / Delegate (2) Principal and one other	\$20,000
23. Approval of capital account budget	Governors	

DUTY / FUNCTION	POSITION	FINANCIAL LIMIT
24. Approval of write-off of lost, scrapped, damaged, obsolete, deficient or unserviceable assets	Governors / Principal	
25. Approval to accept tenders	Governors only	
26. Write-offs, discounts, rebates and exemptions of School (capital) fees and charges	Governors / Principal	
27. Commitment to loads	Governors only	

**LIST OF DELEGATIONS (1)**

*Bank Account Signatories*

Principal	Jo-Anne Bond	_____
Deputy Principal	Georgia Cann	_____
Finance Officer	Doris Milesevic	_____
Administration Officer	Emma Mumford	_____

**LIST OF DELEGATIONS (2)**

Principal	Jo-Anne Bond	_____
Deputy Principal	Georgia Cann	_____
Finance Officer	Doris Milesevic	_____
Maintenance	Peter Jacobsson	_____
Level Leader – Nyereeka	Joanne O’Kelly	_____
Level Leader – Nyereeka	Kate Edmends	_____
Level Leader – Mok-borreeyn	Julianne Hampson	_____
Level Leader – Mok-borreeyn	Shae Fogarty	_____
Level Leader – Junior Years	Elise Jones	_____
Level Leader – Junior Years / Religious Educ	Rachel Smith	_____

**LIST OF DELEGATIONS (3)**

Administration Officer	Marika Hayward	_____
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## DELEGATION AND AUTHORISATIONS

We hereby give approval for the staff members as listed in “Schedule A – Delegation and Authorities” with the authority to sign and purchase Emmaus Catholic Primary School expenses in accordance with the Emmaus Catholic Primary School Purchasing and Payment Policy.

**Canonical Administrator**

**Canonical Administrator**

**SR MARY NUTTALL RSM  
SCHOOL GOVERNOR**

**REV PETER SHERMAN  
SCHOOL GOVERNOR**

## SCHEDULE B PREFERRED SUPPLIERS

In accordance with the Emmaus Catholic Primary School Purchasing and Payment Policy, the following is a list of Preferred Suppliers.

SUPPLIER	DESCRIPTION	PURCHASE ORDER	REVIEW DATE
Bylsma Hire	Hire of equipment	Yes	
CareMonkey	Student Medical & Permission System	Ongoing	N/A
Central Highlands Windows & Doors	Repairs and maintenance to doors and windows	Yes	
Choices Ballarat (Macey's Carpets)	Provider and maintain blinds	Yes	
DaFonte Plumbing	Plumbing works	Yes	
Direct National (Hazeltree P/L)	Laminating roll supplier and servicing of laminator	Yes	
Education advantage	Technology supplier. Maintenance of wireless system and staff & student technology management. Annual Service agreement	Yes for purchase of technology	
FireWatch	Emergency equipment maintenance	No	
Functional Solutions	Provider of library system	Ongoing	
G&S Kennedy	Electrical maintenance	Yes	
Greenwood & Tyler P/L Data Communication	Provider and maintain data points	Yes	
Hip Pocket Workwear	Staff Uniforms	Yes	
Interknit	Staff & Student Uniforms	Yes	
JT Tech	Regular scheduled maintenance of student, staff and administration servers and technology	No	
Just Copiers (Netlor)	Photocopier & Printer Suppliers & Maintenance	On purchase	
Lamont Books	Standing Order for Book Week Books	Yes - Annual	
MJP Mark Jones Painting	Painting maintenance of school	Yes	
M&L MCleaning Services	Carpet cleaning terms 2 & 4 Window cleaning	Yes	
Pepper Brand Managers	Stationery printing supplier	Yes	
Rid Pest Control	Regular maintenance of pest control	No	
Robert Young Sign	School signage	Yes	
Rodd Locksmith	Provider of school key system	Yes	
Sectrol Security	Security provider	Ongoing	
Secure It Self Storage	Storage and destruction of archive files	Yes for destruction	
Stems	Flowers	Yes	

Stewarts Bakery	On-going order for canteen bread rolls & donuts	No	
SUEZ	Rubbish & recycle removal – 3 year contract	No	April 2022
The Cleaners Room	Cleaning & toilet products	Yes	
Tribal	SAS2000 & Pay3K Provider	No	CEOB
Vic-Hyco	Sanitary bins	No	
Whitford Liquid Waste	Cleaning of Grease Trap – Central Highlands Water requirement	Yes	
WINCS (Officemax)	Stationery – Church Resource provider	Yes	

APPROVED BY:

**JO-ANNE BOND, PRINCIPAL** \_\_\_\_\_

DATE: \_\_\_\_\_



## SCHEDULE C EXPENSE REIMBURSEMENT FORM

In accordance with Emmaus Catholic Primary School Purchasing & Payment Policy, please seek authorisation to order and purchase items from the authorised delegate prior to the purchase being made.

Name: \_\_\_\_\_

### Itemised Expenses

Invoice Date	Expenses Description	Budget	Amount
TOTAL REIMBURSEMENT REQUESTED			\$

- Please attach all receipts to this form. All receipts must state “tax invoice”.
- Please list all receipts separately on each line, noting which budget is to be charged the expense.
- Signature must be sought by the delegate as listed in Schedule A – Delegation & Authorisations of the Emmaus Catholic Primary School Purchasing & Payment Policy.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

*Approved By:*

Delegate Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Delegate Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Finance Officer: \_\_\_\_\_ Date Processed: \_\_\_\_\_ Initials: \_\_\_\_\_



**SCHEDULE D  
PETTY CASH RECORD**

<b>EMMAUS CATHOLIC PRIMARY SCHOOL</b>					
<b>PETTY CASH REIMBURSEMENT</b>					
<b>DATE OF RECONCILIATION:</b>					
<b>PETTY CASH VOUCHERS</b>			<b>CASH IN TIN</b>		
<b>DOCKET NUMBER</b>	<b>DETAILS</b>	<b>AMOUNT</b>	<b>\$</b>	<b>QTY</b>	<b>AMOUNT</b>
			100		\$ -
			50		\$ -
			20		\$ -
			10		\$ -
			5		\$ -
			2		\$ -
			1		\$ -
			0.5		\$ -
			0.2		\$ -
			0.1		\$ -
			0.05		\$ -
			<b>TOTAL CASH IN TIN</b>		<b>\$ -</b>
<b>TOTAL AMOUNT OF DOCKETS</b>		<b>\$ -</b>			
<b>RECONCILIATION</b>					
CASH IN TIN		\$ -	DISCREPANCY		
TOTAL AMOUNT IN DOCKETS		\$ -	\$ 400.00		
<b>TOTAL</b>		<b>\$ -</b>			
Cheque #:					
Amount:	\$ -				
<b>Authorised:</b>					
	JO-ANNE BOND				
	PRINCIPAL				

## BEWARE: FRAUDULENT EMAILS!!

There is heightening concern about the number of fraudulent emails targeting schools and other businesses and organisations. The emails are purporting to be from a vendor / creditor and typically the targeted organisation may be currently managing a building project, with which the scammer has alarmingly familiarised itself. Emails will appear authentic to the unsuspecting recipient and will include notification of a change in bank account details request. Once the bank accounts details are changed, the subsequent creditor payment is instead made to the scammers' bank account and hence the proceeds are forever lost.

To safeguard your school against fraudulent activity, it is recommended that current accounts payable practices are revisited to include in the event of receiving any Masterfile change requests, the staff member responsible for making the change telephoning the primary creditor contact to validate the authenticity of the change of bank account details request. An electronic diary note of the verbal communication (including date, with whom spoken and verification confirmation) be then placed on the creditors' file.

**Business Implication:**

School is susceptible to risk of being defrauded without the implementation of more robust accounts payable controls.

**Recommendation:**

School leaders update current procedures and processes to include the aforementioned risk mitigation measures.