

St John's Anglican Church Keiraville

Purchasing Procedure

Purpose

To describe requirements relating to the purchasing of goods and services, being one area of financial management and internal controls at St John's Anglican Church, Keiraville, for management of financial risk to the organisation and in compliance with Diocesan Policies and relevant government legislation.

Introduction.

In making purchases we seek to optimise value to St John's. In general, goods and services should meet two criteria: be fit for purpose and purchased at the lowest life cycle cost.

Those with responsibility for a budget area are responsible for managing expenditure within their assigned budget.

For purchases, review is made to ensure that the terms and conditions are acceptable to St John's Wardens including:

- That details are communicated clearly to the supplier in order that we get what we require.
 - Purchases for goods to be delivered are made in writing
 - Purchases made 'over the counter' are suitably receipted with sufficient detail to support a warranty claim if necessary.
- Purchase documentation fully describes the goods &/or services being procured including any necessary requirements relating to packaging or delivery.
- Invoicing meets GST requirements.
- Goods meet all legislative requirements including those relating to product standards and WHS.

All spending should be considered in the context of St John's overall financial position.

Consultation with the Wardens should always be made for significant purchases that include an element of discretion to assess the purchase against the total budget and overall financial position.

To demonstrate value for money those responsible for purchases will seek competitive quotes for one-off purchases over \$1,000 or recurring purchases totalling over \$1,000 or more per year.

Where applicable:

- at least two quotes will be sought for amounts between \$1,000 and \$2,000 and at least 3 quotes for amounts above \$2,000 with the aim of researching the best price and quality available
- price will be negotiated; and
- a preferred supplier will be established where recurrent purchase is anticipated.

Where a preferred supplier is established for the provision of a particular good or service, their competitiveness should be tested periodically, at least once every three years.

Purchase Order

Staff and volunteers may make purchases on behalf of St John's to the extent they are authorised by the Wardens to do so.

Authority, and limits, are in writing either as provided in this procedure or in the applicable position description, or on a one off basis by email or other document signed by the Wardens.

Goods under \$200 may be purchased for later reimbursement however reimbursement remains subject to approval.

Purchase orders for a good or service (in whatever written form) generally includes:

- supplier information, including ABN;
- product/service information;
- cost, including whether GST is included or excluded;
- person placing the order, including contact details;
- date of purchase;
- delivery details, including any specific packaging &/or labelling requirements;
- payment terms, preferably not less than 14 days; and
- purpose of the purchase, the area &/or asset it relates to.

Purchase Approval

Approval is required in advance of committing the organisation to a liability.

The individual bears responsibility for any good or service purchased without the necessary approval up until such time as approval is properly given.

Approval is required for the complete good or service being procured (splitting of invoices is prohibited).

Approval is by the Wardens up to the delegation limits stipulated by Parish Council. Approval above these limits is by the Parish Council and so planning for major purchases needs to allow for timing of Parish Council meetings.

Delegation of approval by the Wardens to staff/appointed volunteers is as provided below. Wardens' expenses require the approval of other Wardens.

Item	Limit
Wardens purchase of goods/services and authority to approve such	\$500
Staff members purchase of goods/services	\$200
Volunteers purchase of goods/services	\$100

The above limits apply to a single purchase for items up to the total amount budgeted for the year for a given expense type as listed in the budget. Expenditure beyond the budgeted amount will need to be approved by Parish Council.

Invoice Approval

Invoices are signed for payment by the staff member or volunteer with knowledge that:

- i. Good / services were received in full and ordered and invoiced; and
- ii. Purchase has been approved (as per the previous sections).

It is preferable that when orders are placed that invoicing is directed to the Parish Administrator in the first instance. The email address office@keiraville.anglican.asn.au is used for this purpose.

The purchase order, or other document bearing the approval, is attached to the invoice, which are passed to the Treasurer for payment.

Payment Approval

Payments are processed by St John's on a weekly basis with approved payments made within the agreed payment terms.

Payment is processed based on the approval provided, with 'any two to sign' authority applicable for payments, whether online or cheque.

Approved by: Parish Council

Date: 19 October 2020

For Review: 19 October 2023