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PURCHASING POLICY

Rationale:

Nanneella Estate Primary School Council purchases goods, equipment and materials as is required for the day to day running of the school using the Education Department regulations.

Aim:

To ensure that all purchasing procedures are carried out in a correct and transparent manner as outlined in the Finance Manual for Victorian Government Schools.

Implementation:

All expenditure is strictly controlled and subject to approval by the principal and School Council. The names of persons authorised to sign purchase orders are to be recorded in the School Council minutes.

A purchase order must be filled out for all intended purchases.

The principal or designated officer examines the purchase order and, by signing the purchase order, indicates that the purchase is being made:

- with the approval of the School Council
- in accordance with the purchasing policy
- for the approved purposes and within the monetary limits of any government grant to which the payment is to be charged
- within any conditions attached to donated or locally raised funds against which the payment is to be charged
- subject to funds being available to meet the payment

It is necessary to ensure that prior approval has been obtained prior to embarking on any purchasing activities.

No employee shall use a school purchase order to obtain goods and services for private use.

Purchasing Thresholds

Direct Purchases from Private Suppliers

Purchases may be made directly from any source of supply when it is to the best advantage of the school. The exception is where mandated Whole of Government Contracts apply.

Local communities make substantial financial contributions to our school and therefore we endeavour that a portion of school funds be spent in the local community. In all such cases the school is required to ensure such purchases represent good value for money. The normal purchasing procedures are still to be observed.

Normal purchasing procedures also apply to internet purchases.

The following purchasing thresholds are to be followed when making purchases.

Tender/Quotation Thresholds (Amounts are GST inclusive and prior to any adjustments/discounts)	
Less than or equal to \$2,500	A minimum of one quote (maybe verbal or written)
Greater than \$2,500 and equal to \$25,000	A minimum of one written quote
Greater than \$25,000 and equal to \$150,000	A minimum of three written quotes to be sought.
Greater than \$150,000	Public tender process.

*Acceptance of a selected quotation is to be recorded in the school council's minutes prior to the school order being issued.

Thresholds for capital works under the Project Development Construction are for any capital works over \$50,000 must be approved by DET Infrastructure and Sustainability Division.

Procedures for Purchases of Items where Quotations Obtained

Where the purchase of an item requires that quotations are obtained, a suitable record of the following details is to be filed with the payment voucher and supporting documentation:

- A detailed description of the goods or services for which quotations were invited.
- Name of organisation invited to submit quotations.
- Quotation, costs and delivery details, together with the name of the person giving the quote and the date given for supply.
- Where fewer than the required number of quotations were obtained, the reasons why (e.g. sole supplier).
- Where the quotation accepted is other than the lowest received, the reasons for accepting that quotation must be given, for example, "cannot deliver goods by required date", "preference for local trader".

Wherever possible, quotations should be obtained for items with identical specifications to allow direct comparisons of quotations.

Public Tenders

Where stores or services with an item value in excess of \$150,000 are to be purchased directly from private suppliers, public tenders are to be invited.

Tenders are to be invited publicly in such a way as to induce the greatest practicable competition by advertising appropriately in local or any other newspapers. Mention is to be made of the availability of a detailed specification. A copy of the specification is to be provided to each supplier invited to submit a tender.

At the same time, known suppliers may be approached and requested to submit a tender. A schedule of the names, addresses and telephone numbers of persons or firms contacted is to be prepared.

Tenders are to be held unopened in a secure place until the specified time and date.

As soon as practicable after the time fixed for the closing of tenders:

- tenders are to be opened in the presence of the principal and a member of School Council or a senior member of staff (known as the tender opening committee) as decided by School Council;
- each tender is to be immediately numbered and initialled by the members of the tender opening committee present at the time of opening;

- the particulars of each tender received and opened is to be entered on a schedule that is signed by each member of the tender opening committee and the schedule is to indicate the names of tenderers and the tender amounts;
- the details of tenders received is to be ruled off after the entry of the last tender
- tenders received after closing time are not to be considered except where there exists clear evidence that the tender was posted before that time or telegram advice was received before that time detailing price and delivery schedules (the evidence or is to be affixed to and retained with the tender);
- after consideration of the tenders by a tender subcommittee comprising the Principal, representative of School Council and, if necessary, any other person, the findings are forwarded to the School Council;
- reasons for the acceptance of the tender are to be noted on the schedule and signed by the School Council president and the principal and tabled at the next School Council meeting.

When a tender has been accepted by School Council, the principal shall issue a purchase order indicating the price to be paid and attach a copy of the original job specification.

Purchases from a Sole 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 considers 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.

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

Approved by School Council – October 2016

To be reviewed – October 2019

Signed: _____

Date: _____

Ian Denson, Principal