



TITLE		PURCHASING POLICY	
Policy No:	BOM-010	Version:	1-0
Responsible Board:	Finance and Resources	Responsible Person:	General Manager
Approved by:	Board of Management	Date Approved:	24 October 2017
		Review Date:	October 2019

Purpose

This policy provides a structure for the purchase of goods or services on behalf of the Maroochydhore Surf Life Saving Club Inc.

This policy applies to all Club Officers, General Manager and staff authorised by the Board of Management to make a purchase on behalf of Maroochydhore Surf Life Saving Club Inc ('the Club').

Definitions

Purchase Order- A commercial document issued by a buyer to a seller, indicating the type, quantities and agreed prices for products or services the seller will provide to the buyer

Approved Purchase Order - is a document raised on the Club's accounting system for the supply of products or services and signed by the President and/or Treasurer, and the relevant Board Director. Further information regarding *Approved Purchase Orders* is outlined below.

Process

Controls in purchasing are important so that the assets of the Club are protected (e.g. stock) and that goods properly purchased and received are properly paid and accounted for.

No purchase can be made on behalf of the Club without first obtaining an 'Approved Purchase Order'.

No invoice received will be paid by the Club without an 'Approved Purchase Order'. If an invoice is received by the Club without an 'Approved Purchase Order', the person whom organised the purchase assumes liability for payment.

A list of Preferred Suppliers is held by the General Manager. Officials of the club are strongly encouraged to utilise Preferred Suppliers when making their purchases. Preferred Suppliers are informed that all purchases of goods and services for the Club are to be preceded by the issuance of an 'Approved Purchase Order' generated by the Club's accounting software system.

1. Issuance of a Purchase Order

A Purchase Order can be issued by the following Club staff:

- a) Accounts Administrator, or
- b) General Manager.

The Purchase Order will bear a number generated by the Club's accounting system.

A Purchase Order will only be generated in conjunction with the provision of an official written quote – a 'verbal quote' is unacceptable.



2. Obtaining Approval for Purchase

Before a purchase can be made, a Purchase Order must obtain approval; thus, becoming an 'Approved Purchase Order'. This can be done via either of the following methods:

a) *Approval by the Board of Management*

The BOM will approve expenditures via minuted approval of sectional Budgets and the subsequent successful passing of a motion at a minuted Board meeting to approve the Purchase Order in question.

b) *Approval from the President or Treasurer*

Either the President or the Treasurer may approve a Purchase Order without having to obtain support from the BOM. This manner of expedited approval is to allow for time-sensitive purchases to be made as required.

Once a Purchase Order has been approved by either of the above methods, it must be signed by either the President or Treasurer and returned to the Accounts Administrator.

3. Making a Purchase

Once an 'Approved Purchase Order' has been obtained, the purchase may be made, and the invoice forwarded to the Accounts Administrator where it shall be processed for supplier payment.

Please note that payment cannot be made without the provision of a legitimate tax invoice.

If the procurement of a legitimate tax invoice is not possible due to the nature of purchase, an alternative means of documentation must be agreed upon between the purchaser and approver of the Purchase Order prior to purchase.

4. Changes to Purchase Orders

If alterations to an 'Approved Purchase Order' are required, approval for the alterations must be gained by either of the methods described within point 2; 'Obtaining Approval for Purchase'.

Associated Documents

MSLSC Constitution – Section D Property, Finance, Budget & Staff