POLICY NUMBER: NDIS FIN 6

INTENT

This policy is to ensure that there are established guidelines for the purchases of goods and services which are approved by the Management Committee and in line with the Service goals and funding commitments.

This policy is intended to control purchases which may have the potential to exceed the Service budget.

DEFINITION

Purchases: *items bought.*

POLICY STATEMENTS

Real Living Options Association Inc. will ensure that all purchases are approved and authorised in line with the organisational objectives and budget.

PROCEDURES

- All expenditure must be planned, approved and authorised prior to purchase.
- Where there is an expected ongoing expense incurred in the general running of the Service, these purchases are approved at the time of the adoption of the Annual Service Budget and will be automatic if within budget limits. Items under this category would include, but not be limited to, rent, telephone, postage, bank charges, cleaning, staff amenities.
- Purchases which have the potential to exceed the budget must be approved by the General Manager keeping in mind the budget limits. These would include, but not be limited to assets, consultancy, printing and stationery, repairs and maintenance, recruitment of staff, resources and publications.
- Participant mileage and activity costs are approved by the Support Manager and/or Support Facilitator when authorising the timesheets and are negotiated with Participants and staff beforehand.

- Management Committee will approve training and development and insurances at relevant Management Committee meetings.
- All expenditure over $200 must be paid by credit card or direct debit.
- The General Manager has authority to approve a single item up to the value of $5,000.00.
- Purchase of a single item over $5,000.00 should be made by the General Manager in consultation with the Executive Committee.
- At least two quotes will need to be obtained for purchase of a single item estimated to cost between $3,000.00 and $5,000.00.
- More than one quote will need to be obtained for a single item estimated to cost over $5,000.00. The exceptions to this will be as below, which will be obtained as required:
    - The annual quality audit.
    - Insurance costs.

DELEGATIONS

Management Committee

- Approve items of expenditure over $5,000.00 being mindful of budget restraints.
- Approve staff training and insurance expenditure.
- One of the signatories will authorise payment in conjunction with the General Manager.
- Review all purchases regularly through the Transaction Statement.
- Monitor all forward commitments.

General Manager

- Ensure that purchases are within delegated limits and within budget.
- Approve purchases up to $5,000.00
- Alert Management Committee to purchases which have the potential to exceed the budget.
- Whilst the General Manager is responsible for obtaining quotes this duty may be delegated to other employees.

Finance Officer

- Alert the General Manager of the necessity to purchase goods.
- Relevant Bookkeeping procedures.

RELATED DOCUMENTATION

Policy NDIS FIN 7 Payments (Accounts Payable).
Policy NDIS FIN 8 Assets.

REFERENCES

Associations Incorporation Act 1981.
The Constitution of Real Living Options Association Inc.
Australian Accounting Standards.
Standard Chart of Accounts (National).

AMENDMENTS/REVIEWS

Amended 25/03/2010.
Amended 23/06/2011.
Amended 09/08/2012.
Amended 07/05/2015.
Amended 30/04/2020.
Amended 07/09/2023.
Amended 08/04/2026.