



# Warracknabeal Secondary College

## Westpac School Purchasing Card Policy

### **Rationale:**

A purchasing card is not intended to replace the existing purchasing practices. It is offered as an enhancement to current methods of payment for purchases. Therefore the procurement procedures, including quotations, purchase orders and payment thresholds must be followed.

### **Aims:**

The school purchasing card can be used for acquiring goods and services on the school's behalf.

Some of the benefits are:

- cost and time efficient method to purchase, particularly for low value, high-volume items
- wide merchant acceptance of the Westpac Visa card including online purchases
- streamlined business transactions with suppliers
- enhanced cash management potential
- potential reduction of petty cash claims by designated staff
- use during outside of school activities, particularly interstate and overseas camps.

### **Implementation:**

In addition to the school's current purchasing controls, **Internal Controls – Purchase of Goods/Services** - the school council must ensure that there are additional controls in place specifically for the introduction and use of the school's purchasing card.

The following **Additional controls for school purchasing card** checklist is provided to assist in this process.

- The school council and principal determine which personnel and activities will be eligible to use the purchasing card.
- The school council and principal determine the expenditure limit for each cardholder and provide financial delegation to this upper limit.
- School council, after advice from the principal, appoint an "Authorisation Officer".
- An "Undertaking by the Card holder" is completed by each user after modifications by the principal.

- Principal ensures that;
  1. all approved cardholders receive a briefing on the use under specific guidelines prior to being issued with the card.
  2. the cardholders' names, card details, and other information are minuted at school council, and any subsequent changes

Determine and document arrangements for safe and secure custody of the purchasing card.

- Arrange for the monthly purchasing card statement/s to be attached to the relevant reports (CASES21 Finance) and tabled at school council meetings.
- Ensure that all Westpac Visa Card purchasing card procedures and controls are met.

The financial delegation traditionally held by the principal to incur and pay for school related expenditure is extended to the **cardholder**. The financial delegation hierarchy should begin with the principal as authorisation officer, followed by appropriate delegation to each **cardholder**.

This ensures that:

- Financial accountability and responsibility for school transactions remains with the principal.
- Reporting requirements will enable the principal, as authorisation officer, to oversee all **cardholder** spending.

Where the principal is the **cardholder**, the school council president **must** be the **authorisation officer** for that card.


The Department and the school council exercise conditions to protect individuals and school resources, and ensure that effective internal controls are in place:

- The maximum monthly limit of \$15,000 placed on each purchasing card is mandated under Ministerial Guidelines and Directions 1-6 of 2008 [2.4(a)(i)]
- School council will ensure that each identified cardholder who agrees to be issued with a purchasing card, completes "Undertaking by Cardholder" pro forma which forms part of Ministerial Guidelines and Directions 1-6 of 2008.
- A merchant category limit can be determined for each cardholder, varying from limits related to actual supplier/s to expenditure areas.
- An Annual Statement of Assurance regarding appropriate usage of the school purchasing card will be required under provisions of a "Finance Code of Practice" (Standing Directions of the Minister for Finance under the Financial Management Act 1994)

### Summary of Specific Responsibilities of School Council Checklist

- Consider the introduction of a school purchasing card in conjunction with the school's current purchasing procedures and the potential benefits.
- Adopt and formally minute school procedures for the introduction and use of a school purchasing card/s in accordance with Ministerial Guidelines and Directions 1-6 of 2008.
- Appoint relevant personnel to ensure the efficient and effective administration of the school purchasing card.
- Ensure adequate internal controls, security measures, cardholder register, relevant locally-determined category limits and school council reporting procedures to implement and monitor the operation of the school purchasing card.
- Complete and return the Annual Statement of Assurance document regarding appropriate school purchasing card usage, as initiated by the Department of Education and Training.

Also see: MINISTERIAL GUIDELINES AND DIRECTIONS 1 TO 6 OF 2008

Ratified by School Council	Date:	20/3/17
Signed:	Principal:	
	School Council President:	