# Purchasing & Supplier Control

## Purchasing Policy

Where suitable, Grant/Star Delta will select locally sourced products and services.

### Purpose and Scope

To plan, determine, review and communicate all purchasing activities, including supplier evaluation.

### Responsibility

The Managing Director and CEO respectively ensure this procedure is implemented and maintained.

All office personnel and supervisors can make purchases.

### References / Forms

Accounting Software - MYOB, which includes:

- Purchase Orders
- Key Suppliers List
- Work Instruction - Purchasing for Business Purposes

### Procedure

**General**

a. Purchases for project consumables, parts and services are placed and managed by the directors and supervisors.
b. All other purchases are placed and managed by office staff.
c. Capital equipment purchases must be approved by Management

All purchases over $10,000 must have formal approval (signature or email) by a director.

### Work Health & Safety

Any materials relevant to health and safety shall be reviewed prior to purchase to assess potential risks or hazards connected with its use. This review may involve:

1. Obtaining all relevant technical and material safety information from the supplier. Potential hazards shall be discussed with the supplier. Risk analysis may be conducted.
2. Conducting environmental impacts on the use of new equipment.
3. Review by the Managing Director/CEO.
4. Relevant documents & registers and updated accordingly.

### Supplier Evaluation

a. All suppliers are evaluated and assessed during the purchasing cycle.
b. Such evaluations and assessments are based on price / quality / service with the relevant criteria determined by the relevant person at the time. In the case of a new supplier, evaluation is conducted against specific criteria.
c. Such evaluations are normally via phone calls and emails and only by exception situations.
d. As needed, any situation due to a problem or improvement concerning a product or service will be escalated to a director. As deemed necessary, such an escalation will result in a Review or tabled at a management review.
e. In appropriate circumstances we may ask to inspect the goods and operations at the supplier's premises and if this is the case, such a request will be specified in our purchase order. We will similarly arrange for our customer to inspect the goods at the supplier's premises if our Management System so requires.

## Purchasing

a. The relevant person places the relevant order with the relevant supplier.
    1. As needed, a purchase order is raised to comply with a supplier requirements.
    2. All inventory purchases are made through the MYOB System.
    3. Petty cash and credit card purchases are processed retrospectively in MYOB.

b. It is the responsibility of the person placing the order to adequately specify item numbers, specifications, environmental and safety requirements and any special instructions.

c. Upon receipt, any invoices are given to the relevant person to acknowledge receipt and returned to the office for the payment.

d. MYOB checked for accuracy of charges. Invoice must match MYOB entry.

e. Supplier orders that are in a foreign currency MUST stay in that currency until all payments have been made. Once final payment is made, the all figures on invoice will be converted to corresponding AUD.

## Receiving

a. Upon the receipt of goods or services, the person receiving the goods or services will check and approve the relevant delivery documentation acknowledging receipt and quantities.

b. If during any stage of receiving or use, the product or service is found not to comply with the purchasing requirements, the service is stopped and or the product is isolated with the situation escalated.

**c.** Supplier non-conformances are managed i accordance with the Procedure **Corrective Action & Continual Improvement**

## Approval of Subcontractors

Grant Transformers/Star Delta does not currently engage sub-contractors to conduct any part of ot outsource any part of it's business.

Re-evaluations will be conducted as part of Management Review and the category of a subcontractor may be changed as a result.

### Records

All relevant supplied data and documents are maintained by the MYOB software package.