

Purchasing procedures:

BUDGETS

Early in the Lent Term, Budget Holders will submit to their Line Manager a draft budget for:

- Staffing changes, training requirements and other personnel items (discussed in conjunction with HR manager)
- Small equipment/furniture (items costing below £5,000)
- Capital items above £5,000
- Refurbishment projects (these will usually have been discussed at project planning meetings with the Assistant Bursar)
- all operational expenditure

These will be scrutinised by Line Managers and the College Accountant before being incorporated into the preliminary draft budget.

The Bursar and College Accountant will scrutinise the consolidated expenditure budget, to evaluate proposals and ensure cost effectiveness. The Bursar will then recommend the Budget to the Council. Once approved by Council, Budget Holders will be informed of the agreed budgets for which they are responsible.

PROJECT PLANNING AND CAPITAL EXPENDITURE

It is important that projects and other work on the Estate is planned and budgeted for significantly in advance as such works will have an impact on residents, conference business, student teaching and other departments. In many cases co-ordination of several departments is required to ensure the project is carried out efficiently and expeditiously.

Departments involved should include Estates, Maintenance, IT, Conference and Catering, Tutorial and Finance. Projects to be discussed include mechanical and engineering such as boilers and lifts, refurbishment and decoration projects to residences, catering, conference centre, offices and meeting rooms, IT projects impacting residences and new and refurbishment building works to residences, catering etc.

The project planning and budget process will follow an annual timetable.

1. January to March: meetings of relevant staff to discuss works planned for Financial year starting 1 July **in 18 months' time**;
2. April to June: Estates Committee appraised of longer-term project planning;
3. October to December: meetings of all relevant staff to confirm designs, costings and plans for projects in next Financial Year. Designs to public areas to be submitted to Estates Committee and budget to Finance in January;
4. April/May: Approval of budget by Council for following Financial Year.

PURCHASING PROCESS

All contracts and orders shall be within the agreed budget.

Internal hospitality must also be ordered against an agreed budget for that event/expense. Requests for internal hospitality not budgeted for must be made in the first instance to the College Accountant.

Expenditure for which no provision has been made in an approved budget shall only be incurred after authorisation by the Bursar, who will seek the approval of Council as necessary.

For all expenditure included in the budget (or subsequently approved by the Bursar) the procedures are as follows:

1. *Tenders and quotations:*
Budget holders must obtain 2 or 3 (in the case of orders/items over £5,000) written quotes from suppliers approved by the Finance Office.
2. *Ordering*
Budget holders must complete and sign an order form - for orders over £5,000 the Line Manager must also sign the order and ensure they have reviewed the competitive quotes, in the absence of the line manager and in cases of capital equipment, the College Accountant is to sign the order. The white copy is submitted to the supplier; the blue copy should be submitted on a daily basis to Finance and the Budget Holder should retain the pink and green copies in their order book. Where there is a programme of work or project, orders must not be broken down so as to bring individual orders below £5,000.#
3. *Delivery and receipt*
On delivery/receipt of the items or service, the Budget Holder or authorised member of staff should check items against the delivery note, sign the delivery note and ensure order number is included and forward delivery note and green copy to the Finance department. If it is a part delivery against the order, the Budget Holder can retain the delivery note until the order is fulfilled.
4. *Invoices and payment*
All invoices should be delivered (signed) to the Finance Office who will match orders (blue copy); delivery note and invoices. They will revert to the Budget Holder only if there are inaccuracies or inconsistencies.

TENDER AND QUOTATIONS

5. Shop around to make sure you know what you want (quality and price) and what different suppliers can provide. Ask Finance Office if there are preferred suppliers or suppliers listed in the University Consortium handbook.
6. For orders less than £5,000 obtain at least two quotes.

7. ALWAYS make sure the prices quoted include VAT – the College as a charity cannot reclaim VAT so it is a real COST to the College.
8. At least three competitive quotations shall be obtained in all cases where the value of the order is expected to exceed £5,000 inc VAT except where the Bursar decides that a formal tendering procedure is impracticable or inappropriate.
9. In all cases where there is a potential conflict of interest (family/friend association, financial interest in a company, gifts given by a company etc.) then the quotation process should be performed by the line manager or College Accountant.
10. Where the order is for an item that is to be drawn down over a period of time or for consumables ordered regularly, e.g., stationery, toilet rolls; competitive quotations need only be obtained once per year.
11. For regular small items such as maintenance and garden consumables, accounts should be set up with an approved supplier; annually the Budget Holder should review (and possibly meet with) the supplier to ensure value for money is being obtained.
12. Value for money includes consideration of price including delivery charges, the quality of the service or product and suitability of the service or product for College needs. In securing best value for money bulk purchases shall be considered and discount facilities sought wherever possible.

ORDERING

13. The only exceptions to using an order form are for works and services executed in accordance with contract items of a recurring nature, e.g., gas, electricity, telephone and purchases from petty cash.
14. Suppliers and contractors shall be notified that they should not normally accept orders unless on an official order form.
15. Budget holders must complete the whole form including budget code.

DELIVERY AND RECEIPT

16. The authorised member of staff will check that work done or services rendered have been satisfactorily carried out in accordance with the order; that where applicable the materials used are of the required standard and that the charges are correct.
17. In the case of contracts based on the measurement of time, materials or expenses, the time charges are in accordance with the appropriate rates, that the materials have been checked for quantity, quality and price and that the charges for the use of vehicles, plant and machinery are correct.

18. Where a member of staff certifying an account relies upon colleagues to do preliminary checking they shall ensure that those who check delivery or execution of work act independently of those who placed the order and negotiate prices and terms.

INVOICES AND PAYMENT

19. If not received directly, suppliers' invoices and statements shall be passed promptly to the Finance Office. Where there are queries, the Budget Holder may be required to contact the supplier to resolve before passing invoices back to Finance for payment. The College Accountant shall be kept informed of any disputes.
20. The Finance Office will check that where appropriate, the expenditure is in accordance with procedures and that all necessary authority has been obtained, that the account is arithmetically correct and that the account is in order for payment.
21. The Finance Office shall normally make fortnightly payment of all suppliers' accounts, except where the supplier's account is subject to settlement discount.
22. The Finance Office will maintain a list of approved suppliers and kept under review by the appropriate line manager and Finance office.

Budget Holder	Line manager/approver (over £5,000)	Expenditure
Housekeeper	Assistant Bursar	Resident Consumables
		Cleaning materials
		Resident small equipment and soft furnishings
		Staff Uniforms
Head Gardener	Assistant Bursar	Office Furniture
		Tools and small equipment
		Plants etc
		Garden Consumables
Head Porter	Assistant Bursar	Gardens Capital equipment
		Lodge consumables
		Small equipment
		Staff Uniforms
Head of Maintenance	Assistant Bursar	Tools and small equipment
		Materials and consumables
		Service contracts
		Fitted fixtures and fittings
Kitchen Manager	Conference and Catering Manager	Building and contractor works
		Food and provisions
		Small equipment
		Kitchen Consumables
Conference and Catering Manager	Bursar	Kitchen cleaning materials
		Wine and beverages
		Staff Uniforms
		Small equipment
Conference Manager	Conference and Catering Manager	Catering Equipment (capital)
		Garden Furniture
		Catering and bar consumables
		Staff uniforms
IT Manager	Bursar	Marketing/advertising contracts
		Marketing consumables
		Collateral
		IT equipment
Tutorial Administrator	Senior Tutor/Bursar	IT consumables
		IT service contracts
		Phone and mobile phones
		Photocopiers and supplies
Development Director	Principal/Bursar	Security equipment
		Software and systems
		Staff uniforms
		Website support and development
		Tutorial Consumables
		Printing and publishing
		Consumables
		Photography

Library	Senior Tutor/Bursar	Books, publications and supplies
		Small equipment
HR Manager	Bursar	Training courses
Student Liaison Officer	Admissions Tutor	Admissions expenditure
Nurse	Senior Tutor	Medical supplies
Director of Music	Principal/Bursar	Instruments
		Musicians
		Other music related expenditure
Principal's Secretary	Principal/Bursar	Office expenditure

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