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# Purpose

REDIMED Stock and Equipment Ordering Procedure aims to provide structure as to the procession of ordering from different approved suppliers. This procedure will provide a uniform system in which REDIMED staff will be able to follow to complete stock and equipment order when required.

# Scope

This is for all REDIMED staff that carry out ordering stock and equipment.

# Reference Documents

Supplier/Contractors Evaluation Template

Purchase Order Template

# Definitions

**Procedure –** A document that details the purpose and scope of an activity and specifies what is to be done and by whom, how, when and why an activity is to be carried out. A procedure is a component of a process.

**Approved Suppliers –** A list of potential suppliers has been prepared for specific use for different departments within REDIMED. When quotations or tenders are called for, this list of potential suppliers shall be used.

**PO** - Purchase Order

# Flowcharts

# Procedures

**Supplier and Contractor Suitability Assessment**

To ensure suppliers and contracting staff provide adequate products and service to all REDIMED departments, a supplier/contractors suitability assessment evaluation is required to be completed prior to setting up an account or making the initial order.

One month prior to the end of each financial year, departments will complete a Supplier/Contractor Evaluation form to ensure contracting companies and suppliers are suitable and meeting REDIMED products and service requirements records will be kept within the Alliance Clinic Network Folders.

**Requirements:**

* Supplier preferably needs to be locally based in Perth (Exception will need to be considered).
* Preferably no shipping charge should be added to the totally of the order (If local).
* Supplier needs to provide an ease of ordering items by either email or an online system.
* Supplier must provide REDIMED will a full list of their prices/charges for review by the accounts department. Supplier’s prices must be competitive with other medical wholesalers.
* Supplier must be able to deliver all goods within 48 hours of the purchase being placed. (If local)
* Supplier needs to be flexible and source out different types of equipment at request.
* Suppliers must have a specific representative each department can liaise with if problems arise.

**Ordering Procedure**

REDIMED Staff are required to follow one of the two following procedures when placing a stock or equipment order with an approved supplier. It is required for ordering staff to obtain an approved Purchase Order (PO) number prior to confirming the order.

Each department is required to have a stock log with the minimum requirements listed and stock take completed fortnightly/monthly dependent on the amount of consumable stock. This is to ensure adequate stock levels are maintained and to allow other staff members to take over the role if required.

**PROCEDURE ONE:**

* 1. Employee is to search for item/s in either the supplier catalogue or on the company website.
  2. Employee to complete the REDIMED Purchase order template with the providing companies name, address, point of contact, supplier details and delivery details.
  3. Insert into the PO, the information in regards to the items being ordered (where applicable):
* Item code
* Item name
* Quantity
* Unit price excluding GST
* GST
* Total
  1. Once all items have been inserted in to the PO calculate the TOTAL values:
  + Sub total excluding GST
  + GST @10%
  + Total Inclusive of GST
  1. Employees must note on the bottom of the Purchase Order form the preferred method of payment:
  + Account set up with supplier
  + Credit card payment required
  + Petty cash required
  + Cash reimbursement
  1. The completed purchase order form is required to be sent to the department team leader. Each Department Team Leader is able to approve orders equal too or less that $250.00. If the value exceeds this amount, REDIMED’s Executive Team is required to approve the order.
  2. If approved, the Purchase Order template is then to be sent to Accounts Payable for approval and a Purchase Order number to be generated. This is then sent back to the employee in charge of placing the order.
  3. It is not until the employee who has first initiated the Purchase order has received approval and a PO Number that they can progress with processing the order. The employee is then able to log on to the suppliers website and either:
  + Order through a pre-arranged REDIMED account
  + Purchase by credit card
  + Email supplier contact personnel to place the order (pay through a REDIMED pre-arranged account)
  + For suppliers such as Bunnings (only used occasionally), petty cash may be required.
  1. Once the stock has been delivered, the order is required to be checked to make sure that all goods have been received.
  2. The receipt should be photocopied, with the original attached to the purchase order and the copy filed. ‘All goods received’ is required to be written and signed at the bottom and taken to the Accounts Payable department.

**PROCEDURE TWO:**

* 1. In the situation the a supplier does not have an accessible website or catalogue, the employee placing the order is required to email a sale personnel from the supplier and ask for a ‘Proforma for the following stock items’ which will then be required to be listed below.
  2. The supplier should be made aware that it is only a request for a quote and that order completion will require confirmation from the Accounts Payable REDIMED team prior to processing.
  3. Once the proforma/quote has been received a Purchase Order can be generated (step 2 of Procedure One)
  4. Follow step 3.01-3.10 of Procedure One above to complete the order for Procedure Two.

# Appendices

Supplier-Contractor Suitability Assessment form

Supplier-Contractor Evaluation form

Purchase Order Template

Stock tracker