

Controlled Document – Refer to NMIT website or intranet for latest version

PURCHASING AND APPROVAL OF PAYMENTS

Section	Finance		
Approval Date	24.11.2008	Approved by	Directorate
Next Review	27.05.2020	Responsibility	Director of Finance and Business Improvement
Last Reviewed	27.05.2016	Key Evaluation Question	6

POLICY

1. All purchases of goods and/or services will be made using NMIT's Unimarket purchasing system. Goods or services must not be purchased without the prior approval of an authorised Budget Manager.
2. Only authorised Budget Managers have authority to commit expenditure and approve Unimarket purchase orders in accordance with the guidelines set out in the document *Responsibilities and Accountabilities of the Budget Manager*. Budget Managers must be familiar with this document.
3. Assignment of Budget Managers and delegation of authority to commit expenditure will be authorised only by the Chief Executive.
4. For internal control purposes, at least two employees must be involved in ordering, receiving and approving any transaction, i.e. No single employee will order, receive and approve a transaction(s).
5. The general ledger code to which a purchase is to be allocated will be entered on the purchase order.

A Budget Manager or authorised delegate will only approve purchases against cost centres and general ledger codes for which they have delegated authority.
6. All capital expenditure requires the prior written authority of the Chief Operating Officer.
7. All expenditure relating personally to a Budget Manager requires the prior written approval of their Budget Line Manager and subsequent payment authority signed by their Budget Line Manager, even though it may be within their own delegated authority level and budget. Examples of such expenditure include travel, accommodation, personal development, and expense reimbursement.
8. A Budget Manager must not approve any expenditure to a person/organisation where they have direct or indirect family links, an ownership interest, or are involved in the management of that entity (Refer also to: *NMIT Procurement Policy*, and *NMIT Procurement Procedures*). All such related party expenditure must be pre-agreed with and authorised by the Budget Line Manager, even if the transaction is within the delegated limits and budgets of the Budget Manager.
9. Purchase orders will be retained electronically in the Unimarket purchasing system.

REFERENCES INTERNAL

Responsibilities and Accountabilities of the Budget Manager
Budgets and Forecasting
NMIT Procurement Policy
NMIT Procurement Procedure