ISLHD PURCHASING MANUAL

Manager Procurement Policy and Compliance & Procurement Governance Coordinator

ILLAWARRA SHOALHAVEN LOCAL HEALTH DISTRICT

Procurement and Supply Chain

ISLHD Purchasing Manual

Health
Illawarra Shoalhaven
Local Health District

NSW GOVERNMENT

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How to buy Goods and Services

Identify the Need

1. What do you want to buy?
    a. Do you have the funds available to procure the goods and services?
        i. If required liaise with your finance department
    b. Have you involved the appropriate Subject Matter Experts (SME) and completed the Pre Equipment Purchase Checklist?
        i. ICT Equipment
        ii. New Mobile Phones
        iii. Travel Guidelines
        iv. Clinical Engineering (Biomedical Engineering)
        v. Pharmacy goods - these should be ordered by your pharmacy department
2. Estimate Value
    a. Under $3,000 the preferred option is to use a PCard (excluding any medical equipment or consumables)
        i. If you do not own a PCard, raise an iProcurement Requisition

VALUE	DESCRIPTION
Value between $3,000 and $10,000	• Quote should be obtained to ensure fit for purpose and value for money
Value between $10,001 and $30,000	• One (1) written quote required • Quote to be attached to your Requisition

    b. Are the goods and services on a Government contract?

    c. Greater than $30,000
        i. Purchasing assistance enquiry
        ii. Contact ISLHD-Procurement-StrategicSourcing@health.nsw.gov.au
        iii. Is your request part of any Capital Works funding?

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Procuring from Contracts

ISLHD has been mandated to procure goods and services, where possible, from existing contracts and agreements. ISLHD-Procurement-Strategic Sourcing should be contacted to assist in understanding contractual arrangements with Whole of Government (WoG), Whole of Health (WoH), ISLHD local contracts, Service Level Agreement (SLA) or Memorandum of Understanding (MoU).

All iProcurement requisitions raised from an existing contract should identify the type of contract, the contract number and must have attached to the requisition all the supporting documentation.

USING iProcurement

** iProcurement is a function within Oracle, the IT ordering system used by ISLHD to purchase goods and services we require**

Raising a Free Text Requisition
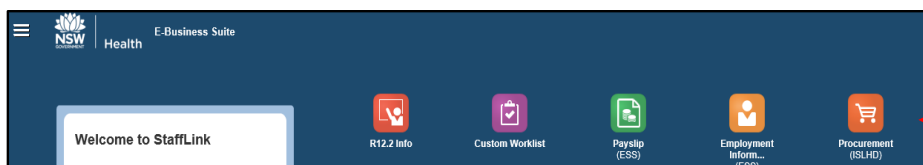
After logging into **Stafflink,** select the Procurement responsibility from your home page.

Then select the shop icon

Start typing a description of the item you wish to procure in the **"What Do you Need To Buy Today?"** field.

Once you have confirmed the item is not available, click on the EBS Quick Links (at the bottom of the page).

EBS Quick Links

Click here to add to non catalog request
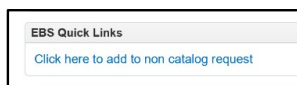
IDD Non-Catalog Request

* Indicates required field

* Item Type	Goods.I can provide description, item price and quantity
* Item Description	source
	Add to Catalogue Request
* Category	
* Quantity	
* Unit of Measure	
* Unit Price	
* Currency	AUD

* Supplier Name	
* Site	
Contact Name	
Phone	
* Supplier Item	
Have you obtained three quotes for this purchase?	
Have you finalised a tender for this purchase?	
Tender Number	
User Searched Text	source

Clear All | Add to Cart | Add to Favorites

Shopping Cart
Your cart is empty.

*Complete all Mandatory Fields **

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*Item Description

The item description should state only what the supplier needs to know. The description should start with the item's part number or the quote number. Clearly state what you want to procure before providing additional information such as size or colour etc.

** If you are creating a <u>Standing Order</u> the line description should begin with "Standing Order", followed by the relevant contract number and additional information**.

Examples

- Quote #1234 – Painting of reception area on lower ground floor, Vivid Blue. Please contact Mary Smith 42171 2222 for office hours
- 2189969: Ensure Juice – Apple 220ml bottle
- CN54858 – scalpel blades, size 10, carbon steel, single use WofH #817
- 2200724: Whiteboard ARC cubicle QRT – 610mm x 360mm
- Prequal #SCM012: Talent search for executive manager commencing 11 July, running for 1 month

> *** TIPS**
> - State only what the supplier needs to know
>   - **Do NOT** include any information the supplier does not require such as:
>   - Raised as per J Smith Instructions
>   - To be paid for by Dr Smith's trust fund
> - Type the same description as the suppliers' description on the quote, agreement, contract, invoice etc

*Category

Category in iProcurement identifies the account code – View <u>PSC Chart of Accounts</u>.

Ensure you read the account description and the account purpose & intended use to source the most appropriate account to use

*Unit of Measure

How is the item supplied? As an each, in a box, a carton?

*Quantity

How many do you require?

*Price

Enter the price provided by the supplier **ex GST**

*Currency

Please **DO NOT** amend – leave as **AUD**

*Supplier Name

Using the hourglass icon you can search by the supplier's name or ABN. The iProcurement wild card % can assist in sourcing the supplier.

* Supplier Name supplier%   ⌄ 🔍

If you are unable to source the supplier in iProcurement, you will not be able to complete an order until the <u>supplier has been added</u>.

*Site will default to the procurement site once the Supplier Name has been populated.

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*Supplier Item Field

	Supplier item codes	Supplier item description
* Supplier Item [ ]	**Item Product code**	Suppliers product code
	WoG #XXXXXX	Whole of Government
	WoH #XXXXXX	Whole of Health
	Pre-qual scheme #	Pre-qualification scheme
	Local S/O	Standing order with a local supplier
	Tender #	Tender approved: in progress
	Quote #	Quote from supplier
	Invoice #	Invoice from supplier

Within the supplier field identify the **product code** of the item you are purchasing, if this is not available then you need to identify where the goods or services have been sourced from – either:

▪ An existing government contract (Whole of Health, Whole of Government or a Pre-qualification scheme) with the X's representing the contract number ▪ or details as per the above table ******* Invoice is used when the goods / services have been received and a Purchase Order is required to complete the transaction ******* This is **NOT** an accepted practice and is **NOT** encouraged *******

Why is the supplier item important?

- It is used to support the SMART suggestion application
- Identifies compliance to ISLHD ordering processes
- Helps with ensuring governance and auditing requirements
- Assists with data, compliance and financial queries or reviews

Requisitions raised greater than or equal to $150K will request a GIPA form to be completed, refer to page 13 for additional information.

Complete all mandatory fields and select **Add to Cart** **If required continue adding lines.

Select **Shopping Cart**:
The ability to amend the Requisition description, add a Note to Buyer, add a Note to Supplier, request an Urgent order, change Accounting Details, Manage Approvers and add Attachments can be completed via the **EDIT** button (if no amendments are required, click on Submit after completing your Justification.

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*Description

Is maintained from the requisition description you have just typed. Update this description to assist in identifying your order (otherwise this description defaults as per line 1 in your shopping cart).

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* TIPS

The amendment of the Requisition description will assist in searching for raised Requisitions

- Clinic order w/e 30 June
- Invitro 2021 Agreement
- Furniture for waiting room

- New Synthes Drill for Theatre 8
- Bathroom refurbishment #12
- Outsourced Surgery for Quarter 1

Justification

ISLHD requires this field to be completed

Communication / notes within the justification field are seen by all the approvers and this should include information required to authorise the expenditure. The justification 'stays' within the requisition and can be read by all staff on the approval chain.

Justification notes can relate to:

- The source of funding – Donation received from Pink Ladies, Funding from SP&T cost centre, Capital / Minor Works & Equipment (MWE) funded, etc.
- Reason for purchase – Required to assist with documenting processes or existing item is not repairable or not economically viable to repair, etc.
- Standing order for: prostheses, disposable instruments, IV fluids, medical gases, planned maintenance, etc.

To add a Note to Supplier, request an Urgent order, change Accounting Details or amend the Deliver-to-Location, select √ on the line you wish to amend and click on **Update**

Within the Update Selected Lines screen (screenshot following) you have the ability to:

Urgent orders

Once ticked and HealthShare receive the approved requisition, they will expedite the PO creation and distribution to the supplier (within 4 hours) ** Additional fees are charged by HealthShare for all URGENT orders **
After amending click on **APPLY** or, continue amending other fields.

Amendment of account / cost centre

Type over the existing string of numbers, ensuring the NSW accounting flex you have amended is accepted. ** If you are amending the cost centre, the approver in the iProcurement approval chain must have financial delegation of the amended cost centre OR you must attach an email from the cost centre manger approving the expense.
After amending click on **APPLY** or continue amending other fields.

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Split cost

If the item you are procuring is to be cost shared amongst a number of cost centres, click under the word **Billing** on the +icon, this will create an additional row; within the new row add the details of the other cost centre. If the line cost is to be split amongst more than 2 cost centres, continue.
You can split the cost amongst each cost centre by percentage, quantity or dollar value.
After amending click on **APPLY** or continue amending other fields.

Deliver-To-Location

Changing the delivery location of the goods can be accomplished by clicking on the magnifying glass icon beside the Deliver-To-Location field, using the iProcurement wildcard % and sourcing the new delivery location.
** The search results will only list deliver to locations set-up in iProcurement ** if a new Deliver-To-Location is required the HR Locations Maintenance Form should be completed
After amending click on **APPLY** or continue amending other fields.

Note to Supplier

Any information / requests written in the note to supplier field will be added to the PO when it is created. ** Additional fees are charged by HealthShare for Note to Supplier requests **

Examples can include: Please ensure expiry date after 30 June.   As discussed with Jon (Rep) delivery on Friday 29 June. Please call Mary Smith 4222 2222 for suitable delivery times.

After amending the line information click on **APPLY.**

Approvals

The approval path is based on the requestor's (managers / supervisors) approver, as set-up when iProcurement access was provided.
iProcurement has a number of default Gatekeepers which will be populated automatically depending on the account, cost centre and or project codes entered into the account string – these Gatekeepers cannot be removed.
Amendments to the requisition approval chain are possible.
** Please ensure that if you amend the approval chain, you choose an approver who has financial delegation in Oracle **

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Note to Buyer

Entering information in the Note to Buyer field is to be used when you need to pass on or request **HealthShare** to complete an additional action.

Examples can include:

- Please do not send order to the supplier – confirmation order only
- Please add to PO 12345678
- Please email PO to staff member: fake.person@health.nsw.gov.au

Adding Attachments

ISLHD are requesting any documentation supporting the procurement of the goods and services to be added in the section at the **bottom of the edit and submit Requisition** page. Documents should be added this way so that they are attached to the **header** of the Requisition and available for all approvers to review seemlessly. Document checklist

NB: Documents attached to the Requisition remain attached permanently.

Requisition Attachments								
Add Attachment								
Title	Type	Description	Category	Last Updated By	Last Updated	Usage	Update	Delete
No results found.								

Once you have completed all the relevant Requisition steps, **SUMBIT**. The requisition will move onto the 1st approver for their review.

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*Additional Requisition TIPS

- You are responsible for contacting the supplier and confirming the item is available and all the ordering information is relevant.
  - ? Have you got the correct price
  - ? Has the product code OR model number changed
  - ? Is there any freight / delivery charge
  - ? Does the supplier have a minimum order processing fee

NB: Goods saved in your FAVOURITE/s listing require review to ensure your ordering information is the most current.

- The Requisitioner will be the person contacted if there are any queries (inclusive of missing documents or information)
  Please ensure you follow the above process when you raise the Requisition

NB: The Gatekeeper/s will reject the Requisition if:
- It does not contain the appropriate documentation or information,
- The attachment is not attached to the header.

A rejection or request for information can be actioned by any of the approvers within the approval chain.

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Approving Requisitions

Managers are required to approve requisitions in iProcurement as per their approved delegation:

- Manager approvals in iProcurement are set-up based on the information provided on the R12 iProcurement Application Form
    - All managers delegation replicates ISLHD Delegation Manual

Depending upon the approval sequence, your action will move to the next approver or to Purchasing (HealthShare) for processing.

For any / every responsibility the approver has chosen, there is an ability to provide additional information to anyone within the approval chain.
ALWAYS add a note to a rejected Requisition explaining why you have rejected it.

Editing a Rejected Requisition

You can be notified a number of ways when a Requisition is rejected:

- A notification in your worklist
- Review of your requisitions
- Automated email sent by "Stafflink Workflow Mailer"

There is no need to create a new requisition if you have received notice your requisition has been rejected as you can edit the rejected requisition.

To **edit** the rejected Requisition; review the reason for the rejection, click on the Resubmit Requisition (this opens up the requisition editing field allowing the amendments to be made), complete as requested (in the Note section) before resubmitting.

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Change a Requisition

You have the ability to change, amend or cancel a requisition before it is converted into a Purchase Order, but only if the status of the requisition is identified as 'in Process'.

From your requisition list choose the requisition you wish to call back to amend (or delete) and click on the change button.

Requisition 19000858								Copy To Cart	View and Cancel Requisition	Change

Description	scalpel blade on contract	Status	Rejected
Created By	Moselen, Ms. Carolyn Rae	Change History	No
Creation Date	09-Feb-2022 12:21:53	Urgent Requisition	No
Deliver-To	Procurement Unit Elouera House, Grnd Flr, Wollongong Hosp Campus Wollongong,2500	Attachment	None
Justification		Note to Buyer	
	☐ Notify me with status updates for my Purchase Order		

Details

...

Line	Description	Need-By	Deliver-To	Unit	Quantity	Qty Delivered	Qty Cancelled	Open Quantity	Price	Amount (AUD)	Details	Order Number
1	scalpel blade on contract	11-Mar-2022 17:00:00	WOL ProcurementUnit 182319	BOX OF 10	20000	0	0	20000	3 AUD	60000.00		
									Total	60000.00		

You will receive a warning – click on YES
This will remove the requisition from its existing position (with an approver) and return it to your requisition list where you will be able to amend (or delete), as required.

Related and Additional iProcurement Information

How to raise an Inventory Order

Start typing a description of the item you wish to procure in the **"What Do you Need To Buy Today?"** field.
Search for the Inventory item you require and once it is identified in the results page, adjust the quantity you need before adding the item to your cart.
You can continue 'shopping' for additional inventory items.
Once you have finished shopping and amended the order description, select the **submit** button. The order will proceed to your approver.

How to source my Purchase Order

Once the requisition has been endorsed by all the ISLHD approvers in the approval chain, HealthShare will convert the requisition to a Purchase Order and send it to the supplier.

To source a Purchase Order you have initiated - Click on the Requisition icon

Requisitions

Search

Views

View All My Requisitions ▼ Go
🔘 Indicates requisition with a pending change request.

Select requisition: Copy To Cart Cancel Requisition Complete Delete | ...

◀ Previous 1 - 10 ▼ Next 10 ▶

	Requisition	Description	Total	Creation Date ▼	Status	Quantity	Qty Delivered	Qty Cancelled	Open Quantity
○	18011482	QRG Test requisition	1000.00 AUD	18-Mar-2021 08:53:38	Incomplete	1	0	0	1
○	17362456	PrisMax V2 & TherMax blood warmer - complete as per Quote BQS159620	0.00 AUD	14-Aug-2020 18:07:49	Cancelled	9	0	9	0
○	17323670	3345: LNCS Pat Cble Red 25 LNC10 1/box	17325.00 AUD	07-Aug-2020 16:18:36	Approved	70	70		

Once you have clicked on an approved Requisition number, a new screen will open displaying the Purchase Order number on the right hand side.

Details

...

Line	Description	Need-By	Deliver-To	Unit	Quantity	Qty Delivered	Qty Cancelled	Open Quantity	Price	Amount (AUD)	Details	Order Number
1	3345: LNCS Pat Cble Red 25 LNC10 1/box	10-Aug-2020 17:00:00	WOLH MedCriticalCare 175125	EACH	70	70	0	0	247.5 AUD	17325.00		38875436
									Total	17325.00		

Return

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Searching for a Requisition

All requisitions you have raised are listed under the requisition tab.
You have the ability to review a previously raised requisitions (not visible) by using the *Previous & Next* links on the right-hand side of the page.

On the requisition page you can:

Copy to cart	Information contained in the Requisition will be carried over to the shopping cart in preparation of reordering
Cancel Requisition	Enables the Requisition to be cancelled
Complete	Opens up the edit & submit screen enabling Requisition completion
Delete	Deletes the Requisition and removes it from your listing
Export	Will transfer this list of all raised Requisitions to a spreadsheet
Advanced Sort	Enables you to change the list according to the (ascending or descending) creation date

Oracle has the ability to allow you to search requisitions raised by any ISLHD staff.

Worklist Notifications

Tasks requiring processing or actioning in iProcurement, will have an information email sent to the employee as a Stafflink Workflow Mailer.
All Workflow Mailers provide instruction on the action required; read each notification to see what the system is asking you to do.
You can action the notification via the received email or from your worklist icon (on the iProcurement home page).

Workflow Mailers relating to Approving Requisitions

Once a requisition has been submitted, each approver within the financial approval chain will receive a notification to action the requisition. The approver's response will be one of the five options available to them.

Workflow Mailers relating to Invoices

If an invoice has been entered into Oracle and is unable to be paid, your Workflow Mailer will identify the action required to enable the invoice to be processed.
Invoicing Workflow Mailers - What is the worklist asking you to do?

Creating a Standing Order

A Standing Order provides a stream-lined method for the procurement of goods and services that are needed on an ongoing basis when the specific item(s), quantity, price and frequency of acquisition is not always known in advance.
The same procurement rules will apply to a Standing Order that apply to a one-off purchase.
When creating a Standing Order there are a number of DOs and DONT'S to be considered.

Receipting a Purchase Order

Receipting an order is a vital part of the procurement process. Receipting a Purchase Order identifies the goods / services on order have been received / provided and enables the payment process to commence. A Purchase Order should only be receipted if you have seen or been informed that the goods / services have arrived or been provided.
If receipting a dollar value order (Or Standing Order), the receipt value is to be the amount **ex GST**.
Non-receipt of a PO will delay payment to the supplier and could incur additional fees.
Inventory purchased from OLW is automatically receipted by the warehouse.

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Sourcing PO Information

Staff who have Oracle access have the ability to view all ISLHD POs and requisitions. ISLHD staff are able to search for a PO, a requisition, supporting documentation and obtain relevant information using the PO Inquiry responsibility. When sourcing PO information staff are able to view distributions (where the order has been costed to), action history (who & when the approvals were processed), view any invoices allocated against the PO, view any receipted information and the actual requisition raised. Staff can also download a copy of the PO.

Invoices

All invoices are processed for payment by HSNSW-AccountsPayable@health.nsw.gov.au Staff have the responsibility of reviewing the invoice and ensuring the details and cost are correct.

Invoices attached to a Requisition **will not be processed by accounts payable**. Invoices attached to a requisition remain with the requisition, as they become part of the procurement process and will not be actioned by Accounts Payable.

The invoice scanning system does not pick up any handwritten notes on the invoice and if additional action is required, please contact Accounts Payable.

Amending an Existing Purchase Order

There are times when a Purchase Order requires amendment after the PO has been sent to a supplier. This can be completed by following the Quick Reference Guide.

How to Cancel a Purchase Order

Once a PO has been raised, only HealthShare are able to cancel the PO in Oracle. To cancel a PO you will need to liaise with the supplier identifying the cancellation before completing a SARA request.

Delivery Issues / Returning Goods to Suppliers

You will need to complete a SARA request if you have not received your goods, have a discrepancy or you wish to return them. Using the 'I have an Enquiry' tab, click the General Enquiry and select Goods Delivery Discrepancy and complete the steps identified.

Vacation Rule

A vacation rule allows a staff member to transfer delegation of iProcurement processes while they are not acting in their position (secondment / leave / awaiting recruitment, etc.) Reassigning the iProcurement responsibility by setting up a Vacation Rule is the most effective method of ensuring the continuation of the procurement process.

Raising a Purchase Order for FREE of Charge Items

Sometimes a supplier requires a Purchase Order for items which are free of charge (FOC), iProcurement allows this to occur but an additional step to amend the price (to create a FOC item) is required.

Disposal of Equipment

There are a number of 'disposal' processes that should occur (depending on the type of equipment or value) these range from obtaining quotes, equipment trade-ins or going to tenders. The disposal of goods link (8.7) guides you through to the NSW Health Procurement Procedures (Goods & Services)document where additional information is available to assist with the disposal process. If the item you wish to dispose of is part of the fixed assets associated with your department, you should review the Finance intranet page for their Asset processes, including the completion of their Fixed Asset Disposal Advice form.

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Favourite List/s

Creation of a favourite list for items you order on a regular basis or for those items which are difficult to source can assist with your ordering efficiency.
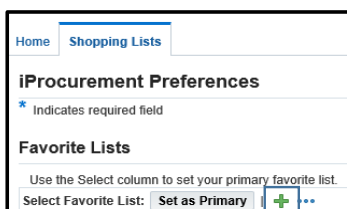
On Shopping list tab, click on the add another row icon to create your favourite shopping lists

Enter a name to identify the shopping list you wish to create & **Apply** the change.
The names of your shopping lists can be amended at any time by entering the new information within the field and clicking **Apply**.
Unwanted shopping lists can be deleted.
When adding items to a favourite list, it will **always** be added to the 'Primary' list.
** Review of prices, box quantities, codes and any other procurement information should occur regularly on the items within your favourite shopping lists to ensure contract compliance and up to date information. **

Special Purpose and Trust (SP&T) / Staff Specialist Trust Fund Funding (SSFT)

There are additional requirements where purchases are funded through SP&T and SSTF as per the table below:

SP&T Accounts (excl. SSTF):	Staff Specialist Trust Fund (SSTF):
• Approval from cost centre manager to access funds • Confirmation from Taxation Accountant stating availability of funds and compliance with conditions of use	• Approval from SSTF Management Committee (requests submitted to and assessed by Taxation Accountant)

The relevant written approvals are required to be added to the Requisition.
When using a SP&T / SSTF cost centre, you will also need to amend the entity code to 2981 OR 2991 (Additional information can be obtained from your Finance Manager or Taxation / SP&T Accountant).

SMART suggestions

This application has been added to iProcurement to support the requestor during the non-catalogue/free text requisition process. The goal of smart suggestions is to reduce catalogue leakage. This will be achieved by re-directing free-text requisition back to available (contracted) items from OLW

GIPA requirements

The Government Information (Public Access) Act 2009 (GIPA) applies to all NSW Government agencies and replaced the NSW Freedom of Information Act (FOI). When you raise a Requisition where the value is greater than $150,000, iProcurement will flag a request for the completion of a GIPA form. Disclosure is the responsibility of the officer raising a Requisition. This form provides all Government contract information with private sectors and, once completed, the form should be attached to the Requisition.
NSW Health Disclosure of Contractual Information PD2018_021 discusses GIPA requirements.

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[Glossary](#)

Still cannot find what you are looking for?
Please review the list of [Quick Reference Guides](#) available on the Procurement and Supply
Chain intranet site or email: ISLHD-ProcurementandSupplyChain@health.nsw.gov.au