# Purchasing Policy and Procedure

## Policy Statement

My Department Stores is committed to developing mutually beneficial and long lasting relationships with suppliers and ensuring the safety of financial information while processing online transactions.

## General Internet Use Provisions

When using the internet to make purchases on behalf of My Department Stores, standard measures must be taken to protect the security of passwords and financial information.

Passwords and financial information should be stored securely and not disclosed to any other party without approval.

Passwords and financial information should not be saved or otherwise stored (for example by clicking 'keep me logged in' or 'remember me').

## Selecting Suppliers

Suppliers should be selected carefully, not only for their ability to provide the desired products and services, but also with consideration to the supplier's ability to provide privacy, confidentiality and security, and their ownership of the product they sell.

### Assessing Supplier Privacy, Confidentiality and Security

The supplier's ability to ensure privacy, confidentiality and security of information (particularly financial information) should be assessed prior to purchasing from new suppliers.

The following criteria should be considered.

| | |
|---|---|
| Does the website use secure protocols to encrypt communications between your browser and the website (i.e. have https in the address bar)? | Yes/No |
| Does the website require a user name and password/PIN to access order records? | Yes/No |
| Does the website display an Australian Business Number (ABN), Australian Company Number (ACN), or a business registration number from the company's country of origin? | Yes/No |
| Does the website display at least one of the following:<br>• Complaints handling policy<br>• Privacy policy<br>• Returns/refunds policy | Yes/No |

## Assessing Product Authenticity

The authenticity of product and services should be assessed prior to purchasing from new suppliers. Authenticity should be confirmed to ensure the supplier owns the product and has the right to sell it (as required by the Australian Competition and Consumer Commission).

The following criteria should be considered.

| | |
|---|---|
| Do product/service descriptions provide a detailed description of the product/service? | Yes/No |
| Are photographs/images provided for physical or informational products? | Yes/No |
| Are Terms and Conditions or Product Disclosure Statements provided? | Yes/No |
| Does the service provider's website provide <u>at least one</u> of the following:<br>• An assurance that Intellectual Property is held by the business<br>• Patent or Trademark ID Numbers<br>• Product/service guarantees and warranties<br>• A Registered Trademark symbol<br>• Product/service testimonials | Yes/No |

### Selecting Suppliers Process

The following steps should be completed when selecting a supplier to purchase products or services online:

1. Access the websites of suppliers to collect information
2. Assess the service provider's e-commerce facilities
    - Confirm the supplier's website includes a Privacy Policy
    - Review the supplier's website against each of the criteria in *Assessing Supplier Privacy, Confidentiality and Security*
    - Identify whether the service provider appears to meet their legal requirements, under the Privacy Act, and ethical obligations, to protect the customer's private information including financial information
3. Assess the service provider's product/service ownership and authenticity
    - Confirm the supplier's website includes Terms and Conditions
    - Review the supplier's website against each of the criteria in *Assessing Product Authenticity*
    - Identify whether the service provider appears to meet their legal requirements, under the Australian Competition and Consumer Commission, to own the product they are selling
4. Confirm the supplier offers the products and/or services required
    - Identify the organisational requirements and compare product/service options from each supplier, including;
        - Product components, features and quality/supporting research (when available)

- Delivery timeframe of the product/service available
- Cost of the product

# Processing Transactions

Transactions should be processed using service providers online/e-commerce facilities.

## Storing Financial Information

Financial information, such as credit card details, or copies of transaction record (e.g. invoices, receipts) which display banking or credit details, must be stored securely at all times:

- In hard copy these details must be stored in a locked filing cabinet
- Electronic records of these details must be stored:
    - On the My Department Stores server which is a secure network
    - With password protection applied to the record

### Processing Transactions Process

While exact processes will be dependent on the service provider's online/e-commerce facilities, the following steps should generally be followed:

1. Create an account/login
2. Add the required products to the shopping cart
3. Check out and enter contact/delivery details and payment details
4. Store transaction records using the MDS File Naming Conventions

# Managing Transaction Records

Records of transactions may be stored on the My Department Stores server, or using an online file sharing platform. My Department Stores staff may use Box; www.box.com, Dropbox; www.dropbox.com, or Google Docs; https://docs.google.com/.

## File Naming Conventions

All documents should be saved using the following file naming convention:

| **[File Name] ([Author Name]) [DDMMYYYY]** |
|---|

For example:

| **Customer Survey Results (John Smith) 04072018** |
|---|

Filenames should indicate the:

- Transaction details (e.g. the supplier's name)

- Record type (e.g. Invoice, Account Confirmation, Order Confirmation, Receipt, or similar)

# Receiving Products and Services

All deliveries should be checked when they are received, by comparing the actual products received, records of delivery and the original records of purchase. Records of delivery (such as delivery receipts) should be stored when received (refer to Managing Transaction Records).

Any discrepancies or irregularities in deliveries should be reported to managers and the service provider. Common discrepancies and irregularities include missing or damaged products, and incorrect quantities, colours or styles of products.

**Reporting Discrepancies and Irregularities Process**

The following steps should be completed when reporting discrepancies and irregularities:

1. Call the service provider's customer service centre
2. Greet the person who answers
3. Introduce yourself, including your name, role and workplace; My Department Stores
4. Explain the purpose of your call
5. Provide information that allows the customer service representative to identify your order, such as the business name, Order Number, Invoice number, Receipt Number or similar
6. Report the) discrepancies or irregularities to the service provider
    - Explain the issue
    - Refer to the records which show the discrepancies or irregularities
7. Request the service provider assist you to resolve the issues

# Managing Ongoing Supplier Relationships

Where possible, My Department Stores prefers to develop long term relationships with suppliers who consistently meet supply needs, and provide an exceptional standard of service.

## Evaluating Supplier Suitability

When selecting suppliers for ongoing services (such as preferred supplier status), an assessment must be completed to ensure the supplier meets the following criteria:

| | |
|---|---|
| Products are always available | Yes/No |
| Products are available which meet organisational requirements | Yes/No |
| Product prices are reasonable | Yes/No |
| Terms and conditions are honoured | Yes/No |
| Information provided is clear | Yes/No |

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