

Understanding the Purchase Order Cycle



Overview

What is a purchase order system

Purpose of a purchase order system

The SPU and OGP contracts

Value for money & public procurement thresholds

Importance of internal controls

PO Cycle example

Fraud & scams

Role of school secretaries

What is a Purchase Order System

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A Purchase Order (PO) system is a formal process to authorise, record and control expenditure before goods or services are ordered.

It is put in place to ensure that school funds are spent in the most cost effective way and that the school can adhere to what has been approved in the annual budget for the school year.

Types of PO systems

Manual vs Electronic systems

Established set of procedures

The board of management must ensure they have established a set of procedures governing purchasing and these procedures should set out the arrangements for buying, receipt of goods and accounting for the goods or services

Manual vs Electronic System

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Manual PO system

Paper based system – Triplicate book

Advantages:

- Adhere to budget
- Low cost
- Easily understood by staff
- Suits smaller schools/low volume of purchases
- No reliance to IT systems or internet access
- Easy to adapt in the school

Electronic PO System

Electronic system

Advantages:

- Adhere to budget
- Stronger pre-approval controls
- Clear audit trail
- Can be linked to budget
- Centralised system
- Reduced admin burden/easier procurement compliance

Purpose of a PO System

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Ensure spending is authorised in advance

Prevents overspending as spending is in line with the approved budget

Accountability and transparency of school funds

Segregation of duties

Proper internal controls & procedures

Schools Procurement Unit (SPU)

Whis is the SPU?

The Schools Procurement Unit (SPU) is a central procurement support body for primary and post primary schools

What do they do?

Provide free advice and practical assistance to schools towards achieving better outcomes from their procurement efforts

How to contact the SPU

Telephone:
01 2035899



Contact Form:
[Contact Form: SPU](#)



Website:
www.spu.ie

OGP Contracts



Who are the OGP?

The Office of Government Procurement (OGP) is a state body responsible for arranging central contracts for goods and services across the Irish public sector.

How do OGP contracts affect schools?

The OGP works with the SPU to provide centralised procurement for schools, focusing on compliance, cost savings and efficiency. Key contracts through the OGP are

- Electricity
- Natural Gas
- Classroom Furniture

How to schools avail of these contracts?

Contact the SPU for more details

PUBLIC PROCUREMENT THRESHOLDS (JAN 2026)

Public Procurement Thresholds (Jan 2026)

Thresholds	Summary of Procedure
Goods & Services < €5,000 ex. VAT	<ul style="list-style-type: none"> A minimum of 1 quote/proposal must be sought. Select the lowest price/most suitable.
Goods & Services €5,000 - €49,999.99 ex. VAT	<ul style="list-style-type: none"> A minimum of 3 written quotes/proposals must be sought. Draw up and issue Request for Quotation/Proposal (RFQ/RFP), including specifications, timeframe, and assessment criteria. Use the weighted scoring sheet to evaluate tenders. Notify all tenderers of the outcome of the competition. Award the contract.
Goods & Services €50,000 - €215,999.99 ex. VAT Must be published on www.etenders.gov.ie	<ul style="list-style-type: none"> Draw up Call for Tender (CFT) documents, including specifications, timeframe, and assessment criteria. Publish tender. Conduct compliance checks and evaluate tenders against award criteria. Notify all tenderers of the outcome of the competition and provide feedback to those who were unsuccessful. Award the contract after the standstill period has elapsed without a challenge.
Goods & Services ≥ €216,000 ex. VAT Must be published on www.etenders.gov.ie and advertised in The Official Journal of the EU (OJEU)	<ul style="list-style-type: none"> Draw up Call for Tender (CFT) documents, including specifications, timeframe, and assessment criteria. Publish tender. Conduct compliance checks and evaluate tenders against award criteria. Notify all tenderers of the outcome of the competition and provide feedback to those who were unsuccessful. Award the contract after the standstill period has elapsed without a challenge.
Services in Annex XIV (Light Touch Regime) ≥ €750,000 ex. VAT Must be published on www.etenders.gov.ie and advertised in The Official Journal of the EU (OJEU)	<ul style="list-style-type: none"> Draw up Call for Tender (CFT) documents, including specifications, timeframe, and assessment criteria. Publish tender. Conduct compliance checks and evaluate tenders against award criteria. Notify all tenderers of the outcome of the competition and provide feedback to those who were unsuccessful. Award the contract after the standstill period has elapsed without a challenge.
Works < €200,000 ex. VAT	<ul style="list-style-type: none"> 5 written quotes. See www.constructionprocurement.gov.ie. Contracts with estimated value ≥ €200,00 ex. VAT must be published on www.etenders.gov.ie Sourcing and expenditure approval for all capital projects (non-routine spending greater than €5,404,000) are conducted by the Planning & Building Unit of the Department of Education and Youth
Works Related Services < €50,000 ex. VAT	<ul style="list-style-type: none"> 5 written quotes. See www.constructionprocurement.gov.ie. Contracts with estimated value ≥ €50,00 ex. VAT must be published on www.etenders.gov.ie

OGP – Central Arrangements

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www.spu.ie/resources/central-arrangements

→ <https://www.spu.ie>

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SPU Schools Procurement Unit

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Central Arrangements

Classroom Furniture

Electricity & Natural Gas

Mobile Phone Storage Solutions

School Books Scheme

School Meals Scheme

All Contracts & Procurement Guides

Schools Procurement (SPU)

We provide advice and practical assistance to all schools (except ETBs) towards achieving better outcomes from their procurement efforts.

Contact Us

Contracts & Procurement Guides News & Updates

School Books DPS for Post-Primary Schools

Click the link below to access the procurement resources available.

Learn More

SPU Schools Procurement Unit

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- [Catering Consumables and Meal Containers](#)
- [Cleaning, Paper, Personal Hygiene and Period Equality Products](#)
- [Commercial Cleaning and Window Cleaning Services](#)
- [Confidential Shredding Services](#)
- [Fire Alarm & Emergency Lighting Maintenance Services](#)
- [Hazardous waste \(user guide\)](#)
- [Managed Parking Services](#)
- [Managed Security Services](#)
- [Personal Protective Equipment, Workwear and First Aid Supplies](#)
- [Portable Fire Equipment Services](#)
- [Sanitary Hygiene Services](#)
- [Water Coolers, Water Bottles, Point of Use Coolers \(Mains Fed\) and Servicing of all Water Coolers](#)

Furniture and Equipment

- [Classroom Furniture](#)
- [Electronic Components and Consumables \(T4 Subjects\)](#)
- [Electrical Goods \(White Goods, Small Appliances & TV's\) \(Home Economics\)](#)
- [Laboratory & Research Consumables & Equipment \(Science Lab\)](#)
- [Light Catering Equipment \(Home Economics\)](#)
- [Mobile Phone Pouches](#)

ICT and Office Equipment

- [Apple Devices](#)
- [DCG Desktops and Laptops \(T4 Subjects\)](#)
- [Interactive Flat Panel \(IFP\)](#)
- [Microsoft Solution Renewals and Associated Services](#)
- [Network Products, Solutions and Associated Services](#)
- [Remanufactured Notebook Computers](#)
- [Windows Desktop, Notebook and 2-in-1 Notebook Computers and Associated ICT Peripherals and Services \(Laptops\)](#)
- [Security Software and Associated Services](#)

Technical and purchasing considerations, including purchasing Frameworks

Value for Money

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Balance between
cost vs quality
and bulk buying
vs inefficient
overstocking

Avoid single
suppliers

Compare prices
& explore options

Use OGP
contracts



Why is it best practice to get 3 quotes?

- ▶ To ensure value for money
- ▶ To provide a basis for comparison
- ▶ To ensure fairness and transparency
- ▶ To support audit and inspections

Internal Controls around Purchasing



Principal oversight
and board approval

Purchasing policy

Record keeping

Segregation of duties

<https://www.fssu.ie/post-primary/school-management-info/sample-policy-and-procedures/>

Procurement Rules (not exhausted list)

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- ✓ All purchases should be approved within the PO system
- ✓ All purchases must be approved by the Principal
- ✓ All large purchases must be approved by the board
- ✓ All PO's must have the required number of quotes
- ✓ Purchases/services >€50,000 must go to eTender
- ✓ Purchasing policy must be in place
- ✓ Contract >€10,000 in any 12 month period – tax clearance certificate should be requested.
- ✓ Ensure all suppliers are reputable and bank details are valid
- ✓ Person ordering good must check goods/service for quality and quantity
- ✓ Delivery dockets/supporting documents must be passed onto accounts secretary
- ✓ Any discrepancies between PO and invoice must be investigated



PO Cycle – Steps



PO Cycle – Example 1:

Scenario 1:

Required: Science teacher requires 5 new microscopes for their science lab.

Quantity: 5

Date Required: 1 month

Suggested supplier: Lab Supplies Ltd

Price: €184.50 each inc VAT

Account code/grant: Science Implementation Grant

Reason for purchase: Existing microscopes are broken

Requested by: Ms Blogs, science teacher



PO Cycle –

Step 1: Request

Purchase Order Request Form

School Name: ABC School

Department / Area: Science Dept

Requested by: Mary Bloggs 5th year science teacher

Date of Request: 12th February 2026

Purchase details

Description of Goods/Services: Duralab DF-50 Classic Monocular Microscope

Quantity required: 5

Date Items Required: April 2026

Supplier: Lab Supplies Ltd

Price (€): €184.50 each total cost €922.50

Account Code/ Grant: Science Implementation grant

Reason for purchase: Existing microscopes are broken and needed for new senior cycle redevelopment

Additional Details: _____

Office Use Only

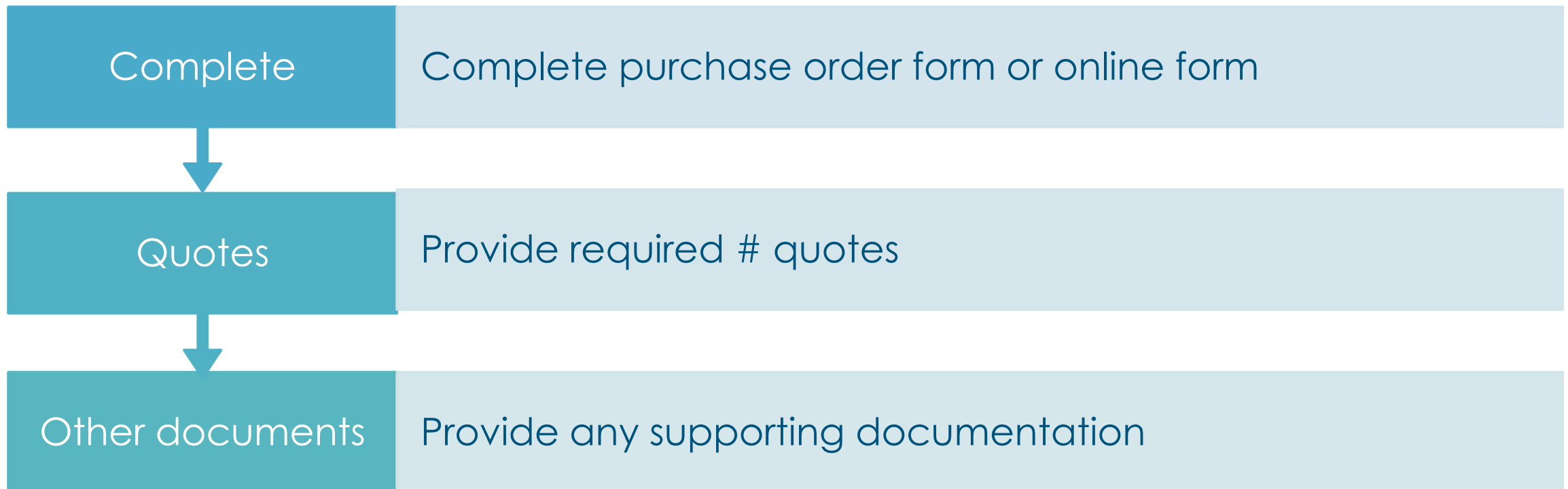
Approved or Rejected: _____

Approved/Rejected by: _____

Date: _____

PO Cycle – Step 1: Request

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PO Cycle –

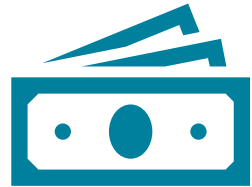
Step 2: Approval

Principal must

- √ Review purchase order for accuracy
- √ Review quotes and any other supporting documentation
 - Has best value for money has been obtained?
 - Are all quotes for the same product?
 - Is the quote including VAT and delivery charges?
 - Is there any additional charges i.e. custom charges?

Step 2: Check the budget

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Is the purchase included in the budget?



If not, is there a new grant

- What is the grant parameters?
- Can it be used for this purchase?



If not existing or new grant

- Is this purchase needed?
- Is it urgent?
- How will it be funded if approved?
- Is there enough funds to cover it within the budget?

Step 2: Final approval checks

Check existing stock level and outstanding PO's

Board approval threshold

Goods/services >€50,000 – eTenders

Central arrangements

Is the supplier reputable

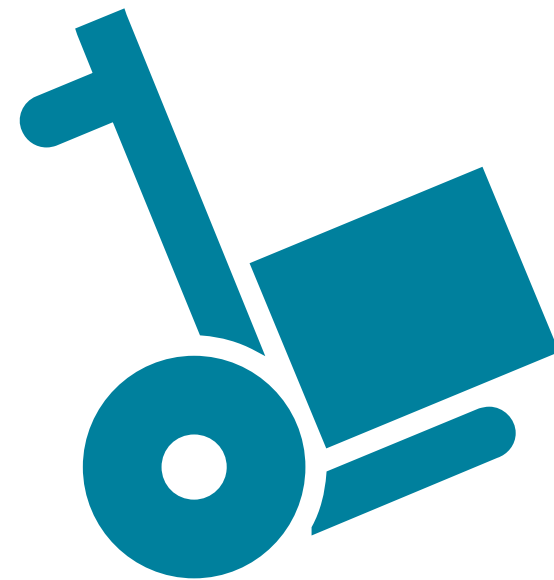
Principal can then approve or reject purchase order

PO Cycle – Step 3: Ordering

Once the purchase order is approved

Person who submitted order can then go ahead and place the order

Purchase order number is provided to the supplier when placing order



PO Cycle – Step 4: Delivery Check

On receipt of the goods/services

- ✓ The person who placed the order must check the quantity, quality and pricing against the PO. Any discrepancies must be reported to the supplier immediately
- ✓ Once the order is correct, the signed delivery docket and any other documentation must be passed immediately to the accounts secretary



- ✓ Invoice is received by the accounts secretary
- ✓ Invoice is matched against approved purchase order and delivery docket and checked for
 - ✓ Quantity
 - ✓ Price
 - ✓ Condition of goods delivered/evidence that service has been supplied is of satisfactory standard
 - ✓ Ensure PO has been approved by the Principal
- ✓ Any discrepancies must be investigated immediately and corrected
- ✓ Invoices must be entered into and processed through the accounts system
- ✓ All payments should follow the proper internal controls

PO Cycle – Step 5: Invoice & Payment



PO Cycle – Step 5: Invoice & Payment



- ✓ Where payments to a supplier exceed €10,000 in any 12-month period, a tax clearance certificate must be obtained
- ✓ Invoices/payments must be approved by 2 approvers (the Principal & a second nominated approver)
- ✓ Both approvers must initial the invoice as proof of approval
- ✓ Invoice should be marked as paid
- ✓ Payments must only be made on valid invoices

PO Cycle – Example 2:

Scenario 2:

Required: First Aid Kits

Quantity: 5

Date Required: ASAP

Suggested supplier: Medical Supplies LTD

Price: €25 each Inc VAT. Total €125 inc VAT

Account code/grant: 6755 Medical and First Aid Expense

Reason for purchase: School does not have enough first aid boxes in designated areas as per recent health and safety survey

Requested by: Jane Doe – school secretary



PO Cycle – Scenario 2

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Documentation

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- √ All quotes must be kept on file
- √ Ensure that the invoice is matched to the approved PO copy and delivery docket/supporting documentation
- √ Ensure invoice, PO & delivery docket is filed correctly and retained for 7 years (6 years including the present year)
- √ Retain all hard copy PO books (if using manual books)



Fraud & Scams



Fake invoices



Urgent payment scams



Supplier changing bank details



Fake emails from staff members

Fraud & Scams – Fake invoices & urgent payment requests

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Common scenarios:

Email from known supplier

- √ “We’ve changed our bank details – please update your records....”
- √ “Urgent payment needed today for overdue invoice – process immediately...”

Fake invoice looks identical to real supplier invoice

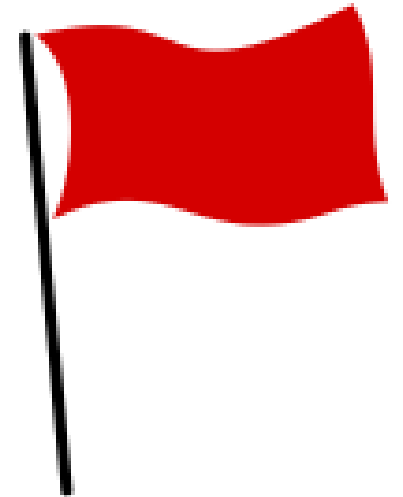


Fraud & Scams

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Red Flags

- ✓ New bank details on the invoice
- ✓ Slightly altered email addresses e.g. extra letter, different domain
- ✓ Urgent language e.g. must be paid today
- ✓ Payment request not following normal process
- ✓ Invoice with no PO number
- ✓ Invoice does not match PO



Fraud & Scams

What to look out for



Verify	Verify bank details changes independently. Never act on email only payment instructions
Ensure	Ensure PO number is on the invoice and never pay an invoice without a PO number
Question	Question urgent requests
Follow	Follow purchasing procedure
Report	Report suspicious emails immediately

Fraud & Scams Email impersonation scam

Emails appear to come from a Principal or other staff member but are sent from external sources.

Email appear to be genuine and urgent, requesting payments or changes to supplier bank details

What to do?

- ▶ Follow proper internal controls and procedures
- ▶ Confirm with person who email was sent by directly by phone or in person
- ▶ External Email Warning

Ensure your email system displays a clear external warning banner on emails received from outside your organisation, for example:

“This email originated from outside the organisation. Do not click links or open attachments unless you recognise the sender and know the content is safe.”

Ways to support the Purchase Order Cycle

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- Supports the schools procurement process
- Ensure schools do not get caught by scams
- Ensures no misuse of school funds
- Ensure RCT and VAT are applied if applicable
- Ensure correct coding/grant is used
- Ensure board get quality reports

Q&A



Thank you

Any questions please contact us on

Tel: 01 269 0677

Email: info@fssu.ie

Website: www.fssu.ie

