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**Procurement Policy Guideline, Public and Private Tenders**

Where the [Procurement Policy](https://policies.acu.edu.au/finance/procurement-policy) calls for tenders to be issued, these are in general required to be Public Tenders. Private Tenders should only be considered where the information they contain may be regarded as confidential, not for access by the public or may compromise some aspect of ACU’s overall strategic plan.

“Tender” in this context means Request for Tender or Request for Proposal or any type of invitation for a response where the policy requires the evaluation by a tender committee in accordance with the thresholds established by the [Procurement Policy](https://policies.acu.edu.au/finance/procurement-policy).

The principles underpinning this guideline are as follows:

* It is important that at some stage of the overall sourcing process the public is given the opportunity to be a provider to ACU. This will enable costs to remain competitive and ACU to remain abreast of latest developments and best practice.
* It will prevent the development of a “closed shop” perception on behalf of both ACU staff and the public.
* It will make transparent, and provide documentation about, the informal processes that may have otherwise been used to pre-select suppliers for certain types of work.
* It will remove subjectivity of processes that may have been used to pre-select suppliers for certain types of work.
* It will allow ACU to demonstrate the integrity of its sourcing practices.

Public Tenders may be made available **directly** or **indirectly.** However, underpinning this requirement is that at some stage of the process the tender opportunity should have been publicly available.

There are three ways a tender may be publicly available:

1. Directly by open tender to the public by the ACU approved process for issuing tenders.
2. Indirectly via invitation to specific tenderers who have been selected by a pre-qualification process that was publicly available for the specific tender opportunity.
3. Indirectly by using a panel of pre-qualified suppliers for a particular category of Goods or Services. The panel of suppliers must have been selected by a formal process that was publicly available. The panel should be reassessed every two years by a public invitation process.

According to the Policy, tenders should be exposed to at least three tenderers. The meaning being that at least three responses would be received to ensure an effective competitive evaluation. The clarification on the need to make tenders publicly available, at some stage in the process, is designed to ensure this objective is achieved. It is also to ensure that ACU constantly seeks to understand latest developments, test the market, and remain abreast of best practice.

Where a decision has been taken to use a Private Tender, then the risk is that less than the required three submissions will be received if the invitation has only been sent Privately to three or four suppliers. Therefore, for Private tenders where the anticipated expenditure will be $250,000 or more AUD, the tender should be sent to a minimum of five suppliers. Where it is planned that less than five suppliers will be sent the tender opportunity, this should be approved in advance by [Finance](https://staff.acu.edu.au/our_university/directoratesoffices_and_their_units/finance/about_us/finance_staff) with the appropriate justification provided.

In response to this requirement for making tenders public, either **directly** or **indirectly**, participating departments need to re-assess their procedures for managing the logistics of tender evaluations to ensure they are streamlined and effective. Note that the ACU Tender Portal [eProcure](https://app.eprocure.com.au/acu/home) has an online Pre-Qualification Form that may be used to expedite the pre-qualification process.