Procurement Policy

Section 1 - Purpose

(1) The primary aim of this Policy is to ensure that the University procurement practices, especially those relating to buying decisions ("Sourcing"), deliver value, leverage spend and meet the demands of probity.

(2) This Policy establishes the five underlying principles in relation to the sourcing of Goods and Services, known collectively, for the purpose of this Policy, as the Procurement Pillars of Support.

(3) These principles outline the deliverables required from the overall procurement process as follows:

a. Approval, Referral and Delegation
b. Legal Compliance and Risk Mitigation
c. Leveraging of Spend and Maximising Value
d. Preferred Vendors and Contract Adherence
e. Product Quality and Service Performance

Section 2 - Application

(4) This Policy applies to all ACU Staff in Faculties and Directorates across all ACU campuses.

(5) This Policy imposes specific requirements upon any staff members who are engaged in making sourcing decisions. It specifies to what point Finance and Planning requires to be involved in this process, including the selection of suppliers decisions.

(6) Some important definitions:

Term	Definition
Procurement	the overall activity involving Sourcing and Purchasing.
Sourcing	the activities associated with what to buy and from whom to buy (e.g. the supplier selection process).
Purchasing	the transactional, administrative and systems-based activities assosiated with requisitions, purchase orders and their subsequent payment.
Product	a Good or a Service.

Section 3 - Principles

(7) The Spend upon which Approvals and Sourcing decisions are based is the value over the full term of the commitment. The decision steps in the process below describe who is authorised to make a Sourcing, or supplier selection, decision.

(8) Final contract documents may only be signed by staff with the authority to sign on behalf of the University in accorance with the Delegations of Authority Policy and Register with the delegation limit that can cover the spend

over the term of the agreement.

(9) Staff engaged in making the final Sourcing decision shall not be the final signatory in relation to making financial commitments. The person signing any financial commitment must be duly authorised by ACU to act on its behalf in accordance with its organisational responsibilities and Delegations of Authority Policy and Register with the delegation limit greater than or equal to the commitment being made over its full term.

(10) Formal Requests for Tenders, Proposals and related documentation must be issued using the ACU tender portal eProcure, in the absence of other approved systems for this purpose.

(11) If the value of a financial commitment over its term reaches the maximum purchase threshold Finance and Planning must be informed of the Sourcing activity. This requires exemptions to be received if a formal tender process is not going to be used in the decision-making process.

(12) Staff engaged in sourcing activities must comply with the requirements of probity as set out in the document Probity Requirements in Procurement - Declaration. Where formalised activities are undertaken, generally involving a project team or tender committee, then participants are required to sign this document. In addition, members of the evaluation panel are required to sign the Conflict of Interest Declaration.

(13) Formalised Sourcing activities are required to follow the steps and utilise the enabling documentation as referenced in Procurement Policy Sourcing Requirements.

(14) Transactional Procure-To-Pay processes, including Purchase Order creation, can be found at Purchasing and Procurement Procedure.

(15) For sourcing activities with monetary commitments in Tier 3 (> $20,000 to <=$100,000) or above (per Section 3, Clause 24 of this Policy), the Minimum Requirements For Suppliers of Goods and Services to ACU need to be referenced and complied with, where applicable.

(16) Formal sourcing activities are required to follow the requirements set out in Guidelines for Managing Logistics of Sourcing Project.

(17) Where the Policy requires a formal tender process to be undertaken, then a decision to as to whether this should be an Open Public Tender or a Closed Private Tender should be made in accordance with Procurement Policy Guideline - Public and Private Tenders.

(18) The Requirements for Vendor Management are as directed by Finance and Planning. Vendor management requirements for key supplier arrangements for ACU are as follows:

a. ACU business owner relationship;
b. performance management of the arrangement, generally against a suite of established KPIs;
c. documentation, including contracts and purchase orders, that sufficiently detail the nature of Goods and Services and the requirements for the effective performance management;
d. provision of reports and meetings in sufficient detail and at a sufficient frequency;
e. use of an appropriate record management system to record purchasing and performance management activities. This includes use of performance management systems, such as contract management and sourcing, purchasing and documentation systems as mandated by Finance and Planning.

(19) ACU is committed to tackling Modern Slavery practices at every level. University’s sourcing processes, tender and other related documentation and template include requirements for sustainable and ethical sourcing and anti-slavery requirements. Staff purchasers of University Goods and Services are required to take steps to identify and minimise any modern slavery risks and to take into consideration the principles of the commitments made by ACU

towards Eradicating Modern Slavery and Human Trafficking and to ensure the suppliers:

a. conduct their businesses in a manner that is consistent with the principles of the Modern Slavery Act 2018 (Cth); and
b. take reasonable steps to ensure that there is no Modern Slavery in the supply chains of their agents, contractors, and/or sub-contractors or any part of their respective businesses or dealings.

(20) ACU is committed to Reconciliation and Indigenous Advancement in line with Universities Australia Indigenous Strategy 2022-25 which makes a strong commitment to fairness and social justice for Aboriginal and Torres Strait Islander peoples. As part of this commitment, ACU aims to partner with Indigenous service providers to support the advancement of Indigenous peoples and their businesses across the supply chain. As such, ACU is a proud member of Supply Nation, the organisation that accredits Indigenous suppliers. ACU's Reconciliation Action Plan (RAP) targets a minimum spend with accredited Indigenous suppliers. As a result of this membership, a number of supplier relationships have commenced with approved Supply Nation suppliers. New suppliers are added to TechOne and ACU's eMarketplace (given the product is catalogue-suitable and as agreed with the supplier). Relevant staff are notified about each new supplier's offerings.

Section 4 - Commitment Levels and Required Actions

(21) ACU is a member of the University Procurement Hub (UPH) which offers the opportunity of source to contract cost savings by aggregating spend from participating Universities across particular categories. Development of these category relationships is an ongoing process, with different categories being added. Please check with relevant Faculty Finance Manager (FFM)/Portfolio Management Accountant (PMA) or Finance and Planning as to whether your sourcing project/product category is in a position to utilise this arrangement (which may negate the need to go through the quote/tender process).

(22) Under this Policy, the following responses are required where a Preferred Supplier, Procurement Category Specialist, existing ACU Contract, existing appropriate Government Contract, or a suitable source to contact arrangement via the University Procurement Hub (UPH) is not available to cover the area of expenditure.

(23) The Maximum Purchase Threshold is $100,000 as stated in the table below:

Value Of Commitment Over Term	Required Response
<= AUD$5,000	Stakeholder makes own decision in accordance within their delegation limit as outlined in the Delegations of Authority Policy and Register.
> AUD$5,000 to <= AUD$20,000	Stakeholder receives two written quotes and makes final decision within their delegation limit as outlined in the Delegations of Authority Policy and Register.

Value Of Commitment Over Term	Required Response
> AUD$20,000 to <= AUD$100,000	For any spend over AUD$20,000, the stakeholder is required to inform their Faculty Finance Manager (FFM) or Portfolio Management Accountant (PMA), to ensure they: • are kept informed and can track/record larger spends for budgeting and auditing purposes; • can check for any potential issues; • can assist with any recommendations; and • to determine whether a Tender Evaluation Committee (TEC) needs to be formed. For spend > AUD$20,000 to <= AUD$50,000, written quotes (outside of the tender process) must be received from at least three potential suppliers. For spend of > AUD$50,000 to <= AUD$100,000, generally either an RFQ, RFP or RFT is required to be sent using the ACU Tender Portal eProcure, to a minimum of: • two potential suppliers – if an RFQ; or • three potential suppliers if an RFP or RFT. Tenders are generally released as Public tenders, however Private tenders (to a select group of invitees only) may be considered in certain circumstances, such as to limit the reach of ACU confidential information necessary to quote. Finance and Planning holds all template tender documents, and can provide the correct tender documentation for use, depending on the type and scope of the product/service. ACU tender documents are listed below in order of complexity: RFQ – The Request for Quotation document is generally less complex, targeted primarily on pricing and is used when inviting potential suppliers to submit competitive pricing for specific products. RFP – The Request for Proposal document is a formal method of receiving detailed and comparable proposals from potential suppliers. It provides required information needed to make an informed purchasing decision. It is often used when seeking solution-based offers. It is slightly less formal and somewhat more flexible than an RFT. RFT – The Request for Tender document is a formal invitation to potential suppliers to submit an offer to supply goods or services against a detailed tender. It is focused on both price and quality, and is generally used for more complex and detailed projects than an RFQ or an RFP.
> AUD$100,000 (Maximum Purchase Threshold)	Stakeholder informs their FFM, or PMA, who then informs Finance and Planning or Senate Finance and Resources Committee. A TEC is required to be formed unless approval to not use a TEC is obtained from: • Chief Financial Officer <= AUD$200,000 • COO on the advice of the CFO > AUD$200,000 • Finance and Resources Committee RFPs and RFTs are required to be sent to, and responses received from, three potential suppliers. Where it is likely that not all notified suppliers may respond to meet this threshold of a minimum of three responses, then more than three suppliers should be notified. RFTs and RFPs are required to be sent using the ACU Tender Portal eProcure. Finance and Planning can provide the correct tender documentation for use. **Requests for Exemptions** Requests for exemptions from the tendering process must be accompanied by the nominated supplier having completed the following two documents. The submitted documents are then to be reviewed by Finance and Planning and feedback provided to the ACU business owner and the CFO and/or COO who have final authority to approve the exemption as per the above spend limits: • Minimum Requirements For Suppliers of Goods and Services to ACU • Request for Information about Supplier's Organisation

Section 5 - Use of Government Contract Rates

(24) ACU, by virtue of its status, is allowed to buy against NSW Government rates and potentially other state government rates. To receive a discount from a NSW Government contracted supplier:

a. Quote the Buy.NSW Number: 3831
b. Refer to the list of NSW Government Contracts

(25) For other State Governments, follow the process below:

a. Confirm if the Category is under a State Government Agreement. Refer other States procurement websites

where available.

b. Identify the applicable State Government Category Manager.
c. Confirm whether a Confidentiality Agreement or Registration is required for the Category. If so, complete the required application for the Category.
d. Obtain approval to use from the State Government Category Manager, to then forward to the supplier. An email confirmation is sufficient.
e. Confirm either from the State Government website or Category Manager, which supplier/s to contact. Make contact with supplier/s and indicate that as a publicly funded Australian University, ACU has been authorised by the State Government Category Manager to be able to buy against their contract.
f. Obtain the State Government contract price from the supplier or from the confidential section of the State Government Procurement website or directly from the State Government Category Manager.
g. If price is acceptable, place an order against the supplier using ACU ordering process.

Section 6 - Roles and Responsibilities

(26) This Policy is an initiative of Finance and Planning and is supported by the Vice-Chancellor and President, Chief Operating Officer and Deputy Vice-Chancellor and members of the Executive.

(27) The choice of what type of sourcing decision to make is based around the degree of financial commitment being made and in accordance with the Delegations of Authority Policy and Register. To this extent the following roles are afforded specific responsibilities, as follows:

- Chief Operating Officer and Deputy Vice-Chancellor (COO) is required to approve an exemption from using a tender process for commitments greater than AUD$200,000 on the advice of the Chief Financial Officer.
- Chief Financial Officer (CFO) is required to approve an exemption from using a tender process for commitments less than or equal to AUD$200,000.
- Faculty Finance Managers and Portfolio Management Accountants are required to reccommend to the Executive Dean or Directorate Director the appropriate sourcing activity for commitments less than or equal to AUD$100,000.
- Finance and Planning is responsible for the decisions in relation to acceptable sourcing practice and the process requirements contained within this Policy and related documents.
- Associate Director, Financial Operations is responsible for approving the content of this Policy document.
- Procurement Category Specialist is the ACU designated subject matter expert with specialist procurement knowledge that has been given the responsibility for all Procurement decisions, including Sourcing, in relation to the category of spend. This role does not exempt them from the requirements for tendering where the Maximum Purchase Threshold is exceeded.

(28) These Roles and Responsibilities should be read in conjunction with the Procurement Roles and Responsibilities document.

Section 7 - Further Assistance.

(29) Additional information to support the contents of this Policy may be found by reference to:

a. Procurement Flowchart
b. Procurement Forms (Finance and Planning SharePoint)
c. Service Standards and Responsibilities for Procurement

d. Procurement Services Standards (Presentation)

(30) For questions, clarification, or any type of assistance in relation to this Policy and its ancillary processes, procedures, and related documents, please refer to the Finance and Planning Staff webpage.

Status and Details

Status	Historic
Effective Date	19th December 2023
Review Date	18th January 2028
Approval Authority	Vice-Chancellor and President
Approval Date	19th December 2023
Expiry Date	4th July 2024
Responsible Executive	Petrus Swemmer Chief Financial Officer
Responsible Manager	Petrus Swemmer Chief Financial Officer
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