



University of South Australia

Procurement Handbook

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DOCUMENT CONTROL SHEET

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Revision History

Revision	Section	Change	Date	Who
1.2	All	<ul style="list-style-type: none"> Adjusted Quote/Tender thresholds Clarified quotes not required when purchase is within scope and spend of existing supply agreements Established role of Tender Opening Panel Added electronic tendering Revised guidelines relating to tender extensions and late tenders Clarified receipting in PO process Incorporated Code of Conduct for Communicating with University Suppliers Acknowledged UPH and Category Councils role in managing sourcing events 	16/03/17	Daren Murphy
1.3	1.2.6 and 8.1	<ul style="list-style-type: none"> Updated references to the FS67 form which has been withdrawn and replaced with the FS65 Asset Addition form Changed references to FS03 form to new Payment Request form within Appian 	01/08/17	Daren Murphy
1.4	5.5 and 6.5	<ul style="list-style-type: none"> Clarified procedure to deviate from required number of quotes Established selective tendering utilising DPTI pre-qualified contractors for projects up to \$1m 	06/03/18	Daren Murphy

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1. Introduction

1.1 Description

This Handbook outlines how the University procures goods and services. It does not cover situations when an employee is paid through the payroll system.

The underlying principle of the University's procurement is that the procedures and methods used must be, and be seen to be, beyond reproach. Therefore, the University must give suppliers the opportunity to compete for its business in an open and transparent manner. Whilst University staff must ensure the best value for money in all procurement transactions, they must also protect the University's reputation for fair dealings in the arrangements with suppliers.

Staff must have the appropriate Vice Chancellor's authorisation before they can procure goods or services; or approve a tender, or contracts. Purchasing and payment activities must comply with these procedures and other related University procedures.

The objective of procurement is therefore to:

- a) obtain value for money by assessing cost and non-cost factors;
- b) build sustainable relationships with [preferred suppliers](#);
- c) satisfy probity requirements;
- d) satisfy any legislative requirements;
- e) satisfy all Work Health and Safety (WHS) requirements;
- f) ensure accountability for outcomes; and
- g) comply with the [Competition and Consumer Act](#).

The objective of this Handbook is to:

- a) articulate key procurement principles;
- b) describe various activities, to empower the employees involved throughout the process; and
- c) provide pointers to policies, forms and other documentation that will assist.

Please note that the [Accounts Payable Handbook](#) covers the reimbursement for personal expenditure.

1.2 Overview of Process

1.2.1 Plan the Purchase

Before goods or services can be purchased, the University must plan adequately. The area requiring the goods or services must ascertain whether sufficient funding is available, the purpose of the purchase, requirements, constraints, and evaluation criteria. When there is a [preferred supplier arrangement](#) in place for the required goods and services, these should be used unless there are extenuating circumstances that prevent this (e.g. the arrangement does not cater for the full scope or cannot respond to the requirement).

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1.2.2 Authorise the Purchase

Staff must be authorised through the Vice Chancellor's Authorisation process before they can commit expenditure. In instances when a University staff member has an actual or perceived conflict of interest with the supplier, a person independent of the transaction should approve the purchase and payment.

All University officers who commit or incur expenditure against any funds administered by the University are accountable for such expenditure and have a general responsibility for ensuring that probity principles are adhered to and the University obtains value for money.

Where there is no [preferred supplier](#) arrangement available, purchasing activities must be conducted with a mind to open and fair competition and obtaining best value for money.

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1.2.3 Obtain Quotations

Different quotation approaches are adopted depending on the value of the purchase. Smaller value purchases may involve Quotations from a limited range of potential suppliers, while large acquisitions require a full public tender.

The limits, as detailed in the [Thresholds Table](#) (refer to the [Business Rules](#)), include both expenditure on a single item or a group of like items, within one year. Where appropriate to achieving a better purchasing outcome (e.g. a highly-competitive market or risk of suppliers not responding), more Quotations should be sought.


The calling of competitive quotations is part of the process of ensuring the best value for money is obtained.

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1.2.4 Conduct Tender (If Applicable)

The tender process is required when there is no [preferred supplier](#) arrangement in place and the expenditure for an item or group of like items (which includes goods and services) will exceed \$200,000 ex GST over the term of the agreement.

A Contract and Tender Panel (or Category Council, in the case of sourcing events managed by the University Procurement Hub or 'UPH') is formed which recommends the selection of one or more suppliers. A staff member with appropriate Vice Chancellor's authorisation (based on the total expenditure) must approve a tender exercise.

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1.2.5 Evaluate Quotations/Tenders

The evaluation is the means by which proposals are assessed and compared and provide the grounds for making selections and recommendations.

The quotation and tender documents should be designed to elicit the necessary information to allow effective assessment.

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1.2.6 Purchase Order

It is preferred that Purchase Orders are raised in the Finance One system when required by the supplier or when the purchase is greater than \$10,000.

Goods or services ordered with suppliers should be received by the person identified on the Purchase Order. Where possible, there should be a segregation of duties, so that the person purchasing any goods is not also receiving them. Any goods received should be checked for apparent damage and agreed to the Delivery Docket. As the goods are unpacked, they should be checked to the Purchase Order and recorded in Finance One as 'goods delivered'.

Where an asset has been acquired as defined by the [University Fixed Asset procedures](#), the process for recording an asset on the central asset register ([form FS65](#)) should be followed.

Goods or services not involving Purchase Orders are noted as received at the time of approving the invoice or raising a Claim ([Payment Request \(Domestic\) – No Tax Invoice FS03 form within Appian](#)). The supplier should be notified immediately of any difficulty with goods or services being received.

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1.3 Definitions

Term	Definition
Common use contract	A whole-of-government contract established by the Department of Treasury and Finance for the supply of goods and services. A Common Use Contract must be used by all inner-Budget agencies and may also be accessed by other eligible organisations.
Conflict of interest	A conflict of interest is a situation in which someone in a position of trust has competing professional or personal interests. These competing interests can make it difficult to fulfil his or her duties impartially.
Preferred supplier	A vendor with whom the University has committed to provide a high percentage of market share through a proactive sales effort.
Probity	Honest, proper, fair and ethical conduct, especially in relation to tendering processes.
Quotation	A statement of price, terms of sale and description of goods or services given by the potential supplier.
UPH	The University Procurement Hub (UPH) is a cross-sector collaborative purchasing initiative providing source-to-contract procurement services for common goods and services. The UPH drives higher cost savings and process efficiencies by aggregating demand and leveraging spend across the participating universities.

2. General Principles

2.1 Accountability

Staff are accountable for the purchasing and payment decisions they make on behalf of the University.

2.2 Authorisation

Staff must be authorised through the Vice Chancellor's Authorisation process before they can approve tenders, contracts or payments.

The procurement of goods or services must only be authorised by staff members that have no actual or perceived conflict of interest from the transaction.

2.3 Availability of Funds

Before goods or services can be procured, the area requiring must have funds available, and be within their operating cost and capital expenditure budgets.

2.4 Purchase Planning

All purchases are to be planned in order to maximise the opportunity for acquisitions.

2.5 Financing Options

When purchasing a University asset, including plant, other equipment or motor vehicles, the alternatives available include:

- a) outright purchase;
- b) lease; or
- c) other contractual obligation.

Where a contractual commitment extends over time such as a lease, for the purposes of determining the appropriate Vice Chancellor authorisation level, the value attached to that commitment decision is the value over the whole of the life of the contract or commitment at the time the agreement is made. For example, if a lease of a piece of equipment was for three years (36 months) and the monthly repayment was \$500.00, then the approver would have to have Vice Chancellor authorisation greater than the \$18,000 lease commitment.

The decision as to whether a lease should be entered into involves an economic decision by the University as a whole and not simply the Division/School/Institute/Unit expending the resources.

Where a Division/School/Institute/Unit is seeking to acquire assets during a particular year but does not have the funds available in that year then an option to look at is an "internal leasing arrangement". This is where the equipment is purchased by the University and is repaid by the Division/School/Institute/Unit at agreed monthly intervals over a number of years.

The University policy on leasing is as follows:

No commitments for external leasing shall be entered into by a Division/School/Institute/Unit without the approval of the Chief Financial Officer or their delegate(s).

2.6 Ethics, Probity and Code of Conduct

As open and fair competition must be sought when procuring and/or managing the supply of goods or services, honesty and fairness must be exercised when choosing between suppliers.

All parties representing the University in the tender, negotiation, selection, management or administration of goods and/or services being supplied to the University, or the management of the relationship with a supplier, must at all times adhere to the:

- a) [Probity in Procurement Guidelines](#); and
- b) [Code of Conduct for Supplier Engagement](#).

Staff members with an unmitigated conflict of interest must not be involved in the procurement of the goods or services. If at any time an involved staff member has a conflict of interest, they must make that conflict known.

2.7 Suppliers

The Finance Unit should be involved in the negotiation and management of preferred supplier arrangements.

Staff should use [preferred supplier arrangements](#) for purchases in preference to other suppliers. Where the University is a supplier, it should be used in preference to any other supplier provided it can meet the requirements.

2.8 Competition and Consumer (Cth) Act 2010 (CCA)

The Competition and Consumer Act obligates the University to meet the following requirements:

- Quotation enquiries must be genuine and statements made by the University to the suppliers must be accurate.
- Statements in a Request for Tender must be correct.
- The tender process outlined in a Request for Tender should be followed.
- Statements and representations made during tender and contract negotiations must not be misleading.

- No unreasonable contract terms are to be imposed on small businesses that are not necessary to protect the University's business interests.

Please refer to the [Competition and Consumer Act](#) for further information on the CCA and how it applies to the University's activities.

2.9 Strategic Commercial Relationships

The University may pursue a strategic commercial relationship with a supplier where there are clear benefits to the University from doing so.

2.10 Terms of Trade

Purchasing and payment activities should conform with the University's normal terms of trade unless there are alternate terms offered by the supplier that are more attractive to the University. Normal terms of trade are payment within 30 days for goods and services from the date of a correctly rendered compliant Tax Invoice (refer to [Accounts Payable Handbook](#)) and satisfactory receipt of the goods or services.

2.11 Segregation of Duties

There should be a segregation of duties such that, where possible, a minimum of two University staff members familiar with the transaction are involved:

- a) for a non-PO process -
 - coding/endorsing of an invoice, and
 - approval of the payment;
- b) for Purchase Orders -
 - raising of the purchase order; and
 - approval of the purchase.

3. Plan the Purchase

3.1 Description

Before goods or services can be purchased, the University must plan adequately. The area requiring the goods or services must ascertain whether sufficient funding is available, the purpose of the purchase, requirements, constraints, and evaluation criteria. When there is a preferred supplier arrangement in place for the required goods and services, these should be used unless there are extenuating circumstances that prevent this (e.g. the arrangement does not cater for the full scope or cannot respond to the requirement).

3.2 Roles

Manager (Staff member with appropriate Vice Chancellor's Authorisation)

- Plan for the procurement of goods and services.
- Determine whether the expenditure budget allows for the procurement.
- Provide advice during the planning phase.

Associate Director: Procurement and Financial Services

- Provide advisory and consultancy services to Divisions, Schools, Institutes and Units relating to the procurement for the University.
- Assist with sector-wide procurement agreements.

3.3 Business Rules

- All planning for procurement is the responsibility of each Manager, including the replacement of plant and equipment.
- Expenditure of University funds may be made for any worthwhile purpose, provided that the expenditure meets the following requirements:
 - Furthers the purpose of the University.
 - The budget allows for it and the expenditure is in accordance with the designated purpose for the budget allocation.
 - Complies with all laws, including WHS and taxation laws.
 - The process followed will be able to withstand the scrutiny of the Auditor-General and the public.
 - The purchase is not being made to gain any private benefit.
- The purchase must be adequately documented before purchasing approval is sought.

3.4 Forms, Documents and Reports

- [Workplace Health and Safety Procedures](#)
- [List of Preferred Supplier Arrangements](#)

3.5 Exceptions

This process does not cover the payment of contractors by invoice.

Refer to FS28 for details:

- [Independent Contractor Checklist](#)
- [An Employer's Guide](#)
- [Information Sheet](#)

3.6 Process

1. Determine the high-level requirements for the goods or services to be procured, such as:
 - a) item or items required;
 - b) required capabilities (present and future);
 - c) physical conditions of the items;
 - d) delivery date (estimate); or
 - e) workplace health and safety risk assessment.
2. Estimate the total cost of item or items to be procured.
3. Determine whether the purchase is within budget.
4. Determine if there is an existing [preferred supplier arrangement](#) in place. If there is no existing arrangement, investigate supplier capability in the market place.
5. Determine the evaluation criteria.
6. Determine any constraints, such as:
 - a) non-financial;
 - b) branding;
 - c) legal;
 - d) deadline; or
 - e) compatibility (e.g. relevant to IT procurement).
7. Document the planned procurement including all aspects mentioned above.

3.7 Next Step

Refer to [Authorise the Purchase](#).

4. Authorise the Purchase

4.1 Description

Staff must be authorised through the Vice Chancellor's Authorisation process before they can commit expenditure. In instances when a University staff member has an actual or perceived conflict of interest with the supplier, a person independent of the transaction should approve the purchase and payment.

All University officers who commit or incur expenditure against any funds administered by the University are accountable for such expenditure and have a general responsibility for ensuring that probity principles are adhered to and the University obtains value for money.

Where there is no preferred supplier arrangement available, purchasing activities must be conducted with a mind to open and fair competition and obtaining best value for money.

4.2 Roles

Vice Chancellor Authorised Manager

Approve the purchase within Vice Chancellor's Authorisation.

Purchasing Officer

Complete the procurement process with the supplier after the expenditure approval is received from a staff member with Vice Chancellor's Authorisation.

Associate Director: Procurement and Financial Services

- Providing management and guidance of procurement functions.
- Developing strategies and action plans to ensure the cost effective acquisition of goods and services.
- Providing advisory and consultancy services to Divisions, Schools, Institutes and Units relating to the procurement function within the University.

4.3 Business Rules

- The purchase must be adequately documented before it can be authorised.
- The appropriate [Vice Chancellor's Authorisation](#) must be obtained before University funds are committed for a purchase.
- A purchase must only be authorised if the following requirements are met:
 - The purchase complies with all laws.
 - The purchase can withstand public scrutiny.
 - There is no conflict of interest.
 - Adequate provision has been made for the purchase in the budget.

- All work health and safety (WHS) considerations have been taken in to account.

4.4 Forms, Documents and Reports

- [Preferred supplier arrangements](#)
- Purchase Order
- GST compliant invoice (refer to the [Accounts Payable Handbook](#))
- [Vice Chancellor's Authorisations procedure](#)

4.5 Exceptions

None.

4.6 Process

1. Review the documentation outlining the planned procurement and refine if required.
2. Determine whether the following requirements have been met:
 - The expected dollar value of the total purchase is clearly specified.
 - [Preferred supplier arrangements](#) have been complied with.
 - All requirements specified under the Business Rules of [Plan the Purchase](#).
3. Authorise the planned purchase either by e-mail or as a notation on the hard copy of the documentation.

4.7 Next Step

Refer to [Obtain Quotations](#).

5. Obtain Quotations

5.1 Description

Different quotation approaches are adopted depending on the value of the purchase. Smaller value purchases may involve Quotations from a limited range of potential suppliers, while large acquisitions require a full public tender.

The limits, as detailed in the Thresholds Table (refer to the Business Rules), include both expenditure on a single item or a group of like items, within one year. Where appropriate to achieving a better purchasing outcome (e.g. a highly-competitive market or risk of suppliers not responding), more Quotations should be sought.

The calling of competitive quotations is part of the process of ensuring the best value for money is obtained.

5.2 Roles

Associate Director: Procurement and Financial Services

Provide management and guidance of procurement functions.

Prospective Suppliers

Provide quotations within the requested time frame and format.

Purchasing Officer

Request Quotations from suppliers.

5.3 Business Rules

General Rules

- The intended purchase must have been previously approved in accordance with Vice Chancellor's Authorisation.
- Quotations are not required when the goods or services will be procured by tender, or the purchase:
 - is being made from an existing and valid supply arrangement;
 - is within the scope of supply for that agreement; and
 - when aggregated with previous and forecast spend, is within the approved total contract value of the agreement.
- The University procurement processes are subject to Auditor-General and internal audit.

- Any splitting of transactions in order to manipulate quotation limits or Vice Chancellor's Authorisation is strictly prohibited. This practice is considered as a serious matter to the University, and must not occur.
- Standard University payment terms are specified in the [Accounts Payable Handbook](#).

Thresholds

- Subject to the General Rules above, the minimum requirement is that quotations must be sought as follows for each item or group of like items:

Value of the Arrangement/Item	Number Required	Type	Notes
Up to \$1,000	1	Verbal	Amount, date and name of person providing quotation must be documented on the requisition.
Between \$1,000 and \$10,000	1	Written	Quotation must be attached to the requisition.
Between \$10,000 and \$25,000	2	Written	Quotations must be attached to the requisition.
Above \$25,000 and below \$200,000	3	Written	Quotations must be attached to the requisition.
\$200,000 and above	N/A	Public Tender	Waiver or modification must only occur in approved circumstances. This approval is only provided by the Chief Operating Officer or the Provost and Chief Academic Officer (refer to Waiver or Modification of Tender Process).

Note: It may be necessary to exceed the above minimum requirements if the procurement has special requirements or the procurement is complex in nature.

Potential Suppliers

- Preference should be given to purchasing Australian produced and environmentally favourable goods and services.
- A detailed specification is to be prepared prior to inviting quotations.
- The evaluation criteria do not need to be made known to suppliers.
- Specifications should be defined in ways that do not unduly limit the range of suppliers (e.g. specific brand names should be avoided).
- Preference should be given to common use arrangements or [preferred supplier arrangements](#), when available.

- When requesting quotations staff should always request GST inclusive prices. Details of freight costs and any other associated costs (e.g. installation) should be clarified in advance.

Quotation Format

- Verbal quotations are not acceptable for purchases above \$1,000.
- Quotations are required in writing for all purchases above \$1,000 to provide supporting documentation for audit purposes.

Request for Quotation (RFQ)

- The Request for Quotation (RFQ) must include the following information:
 - The number of quotations meets the requirements in the [Thresholds Table](#).
 - Description of the goods or services required.
 - Quantity (units or hours required).
 - Contact details (e.g. e-mail address or via [e-Tendering Portal](#)).
 - Quotation response deadline and method (e.g. e-mail address or via [e-Tendering Portal](#)).
 - Delivery time and point for goods and services.
 - [INCO Terms](#) (if applicable).
- The RFQ must be issued to each potential supplier in the following way:
 - All must receive or access the RFQ on the same date.
 - The RFQ is sent by e-mail or uploaded to the [e-Tendering Portal](#).
 - All suppliers must be given the same length of time to respond.
 - The same RFQ must be given to all potential suppliers.
- The RFQ must be defined in a way that does not unduly limit the range of suppliers or prefer any suppliers (e.g. reference to supply of a specific brand name should be avoided).

Quotations

- Written quotations must meet the following requirements:
 - The quotation is still current and valid.
 - Prices must be GST inclusive.
 - Any splitting of transactions in order to manipulate [Vice Chancellor's Authorisation](#) limits is strictly prohibited. This practice is of serious concern to the University and must **not** occur.
- When the value of the procurement exceeds \$25,000, the following information should be considered when requesting potential suppliers respond to the RFQ including:
 - Proof of the supplier's quality assurance certification.

- Demonstrated track record in the service or related area.
- Financial stability of the supplier and/or its principals.
- Calibre of the key people proposed to be involved.
- Experience and qualifications of personnel.
- Commercial compliance of the supplier.
- Statutory compliance of the supplier.
- Programme and or methodology to be used.
- Servicing office details.
- Warranty conditions.
- Insurance requirements (refer to the [FS28 forms](#) for further information):
 - Professional Indemnity Insurance is required where the contractor is providing advice or lecturing/tutoring.
 - Public Liability Insurance is required if the contractor cause harm to any third party or their property while acting for the University.
 - Registration for [ReturnToWorkSA](#) is required if the contractor is larger than a sole trader.
- Quotations need to be in writing in order to provide supporting documentation for audit purposes.

5.4 Forms, Documents and Reports

- [Preferred Supplier Arrangements](#)

5.5 Exceptions

Existing Arrangements

Buying against existing contract arrangements – follow guidelines published on Strategic Procurement website for [preferred supplier arrangements](#).

Exceptional Circumstances

There may be exceptional circumstances whereby the requisite number of quotations are not able to be obtained. In these circumstances:

1. Document the exceptional circumstances, including proposed supplier, estimated value, goods/services sought and reason for exemption.
2. Seek approval to obtain fewer quotations from your SMG member, Head of School or Director of Institute/Unit.
3. Ensure the approval is retained on file for future reference.

5.6 Process

Determine and Document Quotation Requirements

1. The minimum standard is that quotations must be sought as follows for each item or group of like items (refer to the [Thresholds Table](#)).
2. Identify all requirements for quotations including:
 - Deadline.
 - Format.
 - Level of detail.
3. Prepare the RFQ in accordance with the requirements detailed in the [Business Rules](#).

Select and Contact Potential Suppliers

4. Select the suppliers with whom the University would like to obtain quotations, sourcing the information from:
 - Preferred suppliers – preference should be given to those suppliers with whom the University has entered into a suitable valid contract. New [preferred supplier arrangements](#) are regularly being established.
 - Internal suppliers - if there are internal suppliers that meet the minimum requirements, they should be dealt with in preference to external suppliers.
 - Proven record of successfully delivering value for money to the University.
5. Contact the selected suppliers, supply them with the RFQ, and request that they provide a quotation to meet the requirements listed in the [Thresholds Table](#) above, along with the required supporting documentation.

Receive and Evaluate Quotations

6. When all quotations are received, ensure that each one meets the requirements, and that the required supporting documentation has been included.

Note: When quotations don't meet requirements, the supplier should be asked to provide the required information.

7. When the response deadline has passed, assess all quotations, taking the following aspects into account:
 - Price.
 - Features.
 - Warranty.
 - Supplier qualities.

Note: Where there are insufficient suppliers to meet the minimum requirements specified under the [Business Rules](#) above, and this should be noted on the requisition and quotations from the available suppliers will be sufficient.

5.7 Next Step

Refer to [Evaluate Quotations/Tenders](#).

6. Conduct Tender (If Applicable)

6.1 Description

The tender process is required when there is no preferred supplier arrangement in place and the expenditure for an item or group of like items (which includes goods and services) will exceed \$200,000 ex GST over the term of the agreement.

A Contract and Tender Panel (or Category Council, in the case of sourcing events managed by the University Procurement Hub or 'UPH') is formed which recommends the selection of one or more suppliers. A staff member with appropriate Vice Chancellor's authorisation (based on the total expenditure) must approve a tender exercise.

6.2 Roles

Project Initiator

SMG member, Head of School or Director of Institute/Unit responsible for the requirement.

Chair of the Contract and Tender Panel

Appointed by the Project Initiator to oversee the preparation of Tender documents including but not limited to specifications and advertisements.

Panel Members

Staff identified who have a strong knowledge of the goods or services being tendered and how they are intended to be used within the University environment.

Financial Negotiator

A staff member from internal Finance Unit with financial and negotiating expertise.

Independent Member of the Contract and Tender Panel

A staff member with the capacity, skills, knowledge of tendering to make themselves available to act in the capacity of "independent member" and has no vested interest in the outcome.

Chief Operating Officer, Provost and Chief Academic Officer or Pro Vice Chancellor

Approves the final recommendation of the successful bidder, dependent on the value of the contract. Refer to the [Vice Chancellor Authorisations](#).

Associate Director: Procurement and Financial Services

Provide management and guidance of procurement functions.

6.3 Business Rules

- A contract and tender process is not required where the purchase comes under a current approved common use contract.
- The evaluation criteria does not need to be made known to suppliers.

Probity

- Probity in procurement is based on the principles of fairness, equity and value for money and best practice. It is an integral part of the procurement process and should not be a last minute consideration. Probity applies equally to the purchase of goods and services.
- The following requirements should be considered throughout all stages of the procurement process:
 - Fairness and impartiality.
 - Use of a competitive process.
 - Consistency and transparency of process.
 - Security and confidentiality.
 - Identification and resolution of conflicts of interest.
- The issue of probity is the responsibility of all stakeholders involved in the procurement process and all members of the Contract and Tender Panel. The objectives are summarised as:
 - Ensure conformity to processes.
 - Provide accountability.
 - Ensure that the interests of Tenderers are protected by an equitable process.
 - Ensure that all bids will be assessed against the same criteria.
 - Preserve public and tenderer confidence in University processes.
 - Improve defensibility of decisions to potential legal challenge or other external scrutiny.

Conflict of Interest

The Chair of the Contract and Tender Panel must ask members of the panel to declare any conflict of interest and document any conflicts prior to the tender being placed in the market place. However, members of a Contract and Tender Panel have a responsibility to declare any conflict of interest whether asked by the Chair or not. Where a conflict exists, the Chair must consider the nature of the conflict and decide whether to seek an alternate member. If the Chair has a conflict of interest, approval to continue must be obtained from the relevant Pro Vice Chancellor or Chief Operating Officer.

The report from the Contract and Tender Panel must indicate that the Chair asked members to disclose any conflict of interest, whether or not there were any conflicts and if so how these were resolved.

Contract and Tender Panel

- The Contract and Tender Panel is responsible for:
 - Establishing the tender document including specifications of requirements.
 - Approving any variations to tender conditions during the tender process.
 - Assessing tenders against the tender specification and other pre-agreed and approved selection criteria.
 - Query discrepancies.
 - Request supporting documentation, more information or clarification if necessary.
 - Undertaking supplier risk assessments, which includes but is not limited to financial stability, insurances and capability to deliver goods or services to the level of expectation.
 - Amend, reject or support any recommendations on the selection of suppliers as an outcome of the process.
- The Contract and Tender Panel must contain the following members:
 - Chair.
 - A staff member from the University's Finance Unit with financial and negotiating expertise.
 - Up to two members representing the requesting Division/School/Institute/Unit.
 - An independent nominee from another area with relevant expertise, but who does not have a specific interest in the project.
 - A committee secretary who will record the minutes of all tender committee meetings (who may, at the discretion of the Contract and Tender Panel, be an existing panel member).
- The role of the Chair is to:
 - Convene and chair the Contract and Tender Panel.
 - Ensures all panel members complete an online [Ethical Clearance Form](#).
 - Ensure that all meetings of the Contract and Tender Panel are minuted.
 - Ensure contract and tender procedures are properly applied.
 - Remind all committee members of the requirement for confidentiality in all matters.
 - Document, consider and action as appropriate in relation to conflict of interest statements and other probity issues.
 - Communicate about the tender process and communicate with successful and unsuccessful tenderers.

- The tender document must:
 - Describe in full detail the goods or services required.
 - Contain full specifications that are a true and accurate statement of requirements.
 - Include all functional and performance requirements including technical details.
 - Define special requirements if appropriate – e.g. site inspections.
 - Specify where to obtain the tender documents that may be on request, or made available for download direct from University web site.
 - Specify place of tender lodgement (e.g. Tender Box or via [e-Tendering Portal](#)).
 - Specify closing date and time (tenders should normally be open for at least two weeks dependent on the complexity of the response required and, if using the Tender Box, must close at 2.00 pm on the date of closing).
 - Provide the name and contact details of a contact person.
 - That all enquires are to be made in writing to the contact person during the tender process (e.g. e-mail address or via the [e-Tendering Portal](#)).
- The Contract and Tender Panel is disbanded once a contract has been awarded.

Waiver or Modification of Tender Process

- The *Vice Chancellor, Chief Operating Officer or Provost and Chief Academic Officer (as applicable)* may waive or modify the requirement for a full public tender, where satisfied that no material benefit would emerge from going to tender.
- Circumstances where the requirement for tender might be waived or restricted include situations where:
 - The costs are considered prohibitive, or exceed the benefits.
 - There is a sole supplier or limited suppliers with capacity to supply.
 - Where limited suppliers exist approval to perform a selective tender.
 - Technical reasons for selection.
 - Supporting documentation to substantiate the existence of a limited number of suppliers or sole supplier.
 - Where the nature of the goods or services or the established practice in an industry makes this impractical.
 - The same degree of diligence for the RFT must be applied.
 - Where the University's interests are best served by an extension or renegotiation of the current contractual arrangements.
 - A strategic commercial relationship is contemplated.
- Written or electronic approval for the waiver or modification of the tender process should be attached to other contractual documentation and held on file.

- Expressions of interest may be sought from suppliers prior to engaging in a tender process. In such cases, the tender process may be limited to those suppliers who have expressed interest.

Variations to Tender Conditions

- Communication of variations to tender conditions (e.g. change to closing date and time) during the tender process should be actioned by the Chair of the Contract and Tender Panel to each tenderer at the same time.
- If the tender response deadline is varied in the three working days prior to the original deadline, it should normally be extended by at least five working days from the time and date when the variation has been communicated to all tenderers, to ensure that all tenderers have the opportunity to benefit from the extension.

Discrepancies, Errors and Omissions in Tender Documents

- If tenderers find any discrepancy, error or omission in the tender documents, they are to promptly notify the contact person as detailed in the tender document. The contact person will then respond in writing to all potential tenders of the correct details in a timely manner.

Tender Submission

- Tenders are not to be accepted following the end date and time of the tender closure.
- Tender lodgements are to be:
 1. returned electronically via the [e-Tendering Portal](#); or
 2. returned as hard copy in a sealed envelope marked with the name of the tenderer, the project and the campus location; and are to be lodged in the TENDER BOX – located at UniSA Reception, Level 1, 101 Currie Street, ADELAIDE SA 5000.
- The following information must be provided by the potential supplier with tender submission:
 - Proof of the supplier's quality assurance certification.
 - Demonstrated track record in the service or related area.
 - How the supplier meets insurance requirements (refer to the [FS28 forms](#) for further information):
 - Professional Indemnity Insurance is required where the contractor is providing advice or lecturing/tutoring.
 - Public Liability Insurance is required if the contractor has the potential to cause harm to any third party or their property while acting for the University.
 - Registration for [ReturnToWorkSA](#) is required if the contractor is larger than a sole trader.
 - Financial stability of the firm and/or its principals.

- Calibre of the key people proposed to be involved.
 - Experience and qualifications of personnel.
 - Commercial compliance of the supplier.
 - Statutory compliance of the supplier.
 - Programme and or methodology to be used.
 - Servicing office details.
 - Warranty conditions.
- All tender submissions must include the information specified in the tender document.
 - Only authorised officers may:
 - hold electronic ‘keys’ in the [e-Tendering Portal](#) to release the responses submitted electronically; and/or
 - hold keys to the tender box located on the 1st floor 101 Currie Street. Two officers shall open the tender box, and record the tenders received on the FS60 form. Tender documents are then passed to the relevant Chair of the panel or contact person as listed in the tender document and must be signed for on the [FS60 form](#). The Contract and Tender Register maintained by the Finance Unit is then updated from the FS60.

Tender Box Instructions for Hard Copy Submissions

- 1) The person/group requiring use of the tender box should create an appointment on their calendar within Outlook.

Fill in the following details:

- **Subject** – Name of the Tender.
- **Location** – Tender Box, Level 1, 101 Currie Street, Adelaide, 5000.
- **Start Date & Time** - for the Tender (ensuring the tender box is not already in use).
- **Closing Date & Time** - for the Tender (no later than 3pm).
- **Invite Attendees** – Select Tender Box as a **resource**.

The following relevant information about the tender should be included in the invitation:

- Name of the **Project**.
- List of **companies invited to tender** where it is not a public tender.
- **Project Manager and his/her contact details**.
- **File number** for tracking purposes if possible.

- 2) The [notice](#) for the front of the Tender Box needs to be created. This notice needs to be completed and e-mailed to the Tender Box embedded in the invitation.

Please note: The Tender Box has a mechanism on the front of the box which is locked at all times unless a tender is due. The only time the mechanism is opened is when advice of a tender is received by the Tender Group via step 1 above.

- 3) The Tender Group comprises nominated members of the Finance Unit who hold the Key to the Tender Box. A minimum of two persons ('Tender Opening Panel') – at least one of which must be a member of the Tender Group – will open the box at the due time stated in the above invitation. The Tender Opening Panel will then confidentially open the received tenders and document all details and values in the tender register and then complete an FS60 form. All the documents received are initialed and stamped with the date and time, and handed with the completed FS60 to the appropriate personnel from whom the University Department is expecting the Tender.

The appropriate personnel who is expecting the tender (if not a member of the Tender Opening Panel) is required to organise an appropriate time to collect this documentation from the Tender Opening Panel.

Communication with Tenderers

- The Chair of the Contract and Tender Panel is responsible for actioning communication with tenderers, including:
 - Informing tenderers that all communications must always be in writing.
 - Ensure that all communications are to the Chair or designated contact person.
 - Ensure that all staff associated with the tender are informed they are not to answer any questions and refer them to the contact person.
 - If the answer is in the tender specification then refer to the specification.
 - Distribute questions and answers to all tenderers unless the information relates to intellectual property.
 - Ensuring timely responses.
 - Not to answer any questions in relation to budget.
 - [Variations to tender conditions](#) (e.g. change to closing date and time).
 - Ensuring that records are maintained for all communications with all tenderers.
 - Communication in writing with successful and unsuccessful tenderers only after the recommendation has been formally approved by a staff member with the appropriate Vice Chancellor Authorisation.

6.4 Forms, Documents and Reports

- [Contract and Tender Received form \(FS60\)](#)
- [Contract and Tender Recommendation form \(FS61\)](#)

6.5 Exceptions

Existing Arrangements

Buying against existing contract arrangements – follow guidelines published on Strategic Procurement website for [preferred supplier arrangements](#).

Sourcing events run by the University Procurement Hub (UPH), which will be managed by a UPH Category Council (in place of the Contract and Tender Panel) on behalf of the University, reporting to the UPH Program Committee. In such cases, the UPH Category Council will oversee the tendering process by the UPH, and will liaise with each participating university through the single point of contact. For the University, this will be the Chief Finance Officer or nominated representative.

DPTI Pre-Qualified General Building, Contractors and Subcontractors

Selective tendering is accepted industry practice in the construction field. Consequently the following process shall apply to capital and maintenance projects delivered by the Facilities Management Unit with a budget not exceeding \$1m. Please note that the use of this exception process requires that the project has appropriate approvals in place and the tender field selection complies with the following requirements:

1. Review the Department of Planning, Transport and Infrastructure (DPTI) Pre-Qualification Register to identify a suitable field of participants to invite to tender (no less than five except where there are insufficient participants in the market).
2. If necessary, supplement the tender field with companies not on the DPTI register based on their capability, capacity and relevant experience (while ensuring that the majority of participants are selected from the DPTI register).
3. Seek approval for the tender field from either the Capital Projects Director (for Capital Projects) or the Manager: Maintenance and Technical Services (for Maintenance Projects).
4. Ensure the approval is retained for future reference.

6.6 Process

Convene the Contract and Tender Panel (Nominated Chair)

1. If the desired goods or services are high value, the project initiator (often the Head of School/Unit) convenes the Contract and Tender Panel.
2. The Chair asks all members of the panel to declare any conflict of interest. Items raised must be documented. The Chair must consider the nature of the conflict and decide whether to seek an alternative member. If the Chair has a conflict of interest, approval to continue must be obtained from the relevant Pro Vice Chancellor or Chief Operating Officer.

Prepare Tender Documentation (Contract and Tender Panel)

3. Prepare tender specifications that meet the following requirements:
 - Requirements are clear, concise and logical.
 - Explanation of what the item will be used for (applicable for goods).
 - Contain enough information for suppliers to decide and cost the goods or services they will offer and at what level of quality.
 - Permit offered goods or services to be evaluated against defined criteria by examination, trial, test or documentation.
 - State the criteria for acceptance of goods and services.
 - Provide equal opportunity for all potential suppliers to offer goods or services which satisfy the needs of the user, including goods or services incorporating alternative solutions.
 - Form the fundamental basis of the contact between buyer and seller.
4. Review tender documentation and have it refined where necessary.
5. When the tender documentation is acceptable, approve it, including the supply specification and criteria for selecting suppliers.

Initiate the Tender (Contract and Tender Panel)

6. Develop the tender specification and list other selection criteria against which tenders will be assessed.
7. The Chair of the Contract and Tender Panel ensures that the documentation meets all business requirements.
8. The panel approves all detail of the tender document.
9. Placement of an advertisement in publications.
10. Advise Finance Unit staff of the tender including the closing date and time.

Extensions and Late Tenders

11. The acceptance of a tender after the response deadline or varying of the deadline to suit only some of the tenderers risks the procurement process being perceived as failing to treat all tenderers equally and fairly (particularly those that would not benefit from a late decision to offer a short extension). This could result in a challenge leading to the abandonment of the process and/or reputational harm to the University.
12. **For tenders managed using the e-Tendering Portal:** the portal does not permit tenders to be lodged or amended once the deadline has passed. Tenderers must notify the University at the earliest possible opportunity if they are unable to fully respond before the deadline and are requesting an extension.
13. **For hard copy submissions:** a late tender should only be considered in exceptional circumstances, and when the University is fully satisfied that the integrity of the tender process has not been compromised, nor provided a late tenderer with any advantage.

14. If the tender response deadline is varied in the three working days prior to the original deadline, it should normally be extended by at least five working days from the time and date when the variation has been communicated to all tenderers, to ensure that all tenderers have the opportunity to benefit from the extension.
15. Late tenders may only be considered with the express approval of the Chief Operating Officer or the Provost and Chief Academic Officer for areas under their respective responsibility, which must be obtained before any tender is opened. The reasons for a late submission and the University's rationale for considering a late tender must be fully documented.
16. When approval to accept a late tender is not granted, the tenderer must be notified immediately and the full submission returned unopened.
17. Late tenders (whether accepted or not) must be noted on the FS60 and should form part of the report from the Contract and Tender Panel.

Refer to [Variations to Tender Conditions](#) and [Communication with Tenderers](#).

6.7 Next Step

Refer to [Evaluate Quotations/Tenders](#).

7. Evaluate Quotations/Tenders

7.1 Description

The evaluation is the means by which proposals are assessed and compared and provide the grounds for making selections and recommendations.

The quotation and tender documents should be designed to elicit the necessary information to allow effective assessment.

7.2 Roles

Contract and Tender Panel Members

Staff are identified who have a strong knowledge of the goods or services being tendered and how they are intended to be used within the University environment.

Purchaser

- The staff member who initiates the purchase and sees it through to conclusion (the goods or services have been received and the invoice paid).
- It might involve a specialised Purchasing Officer if the Purchaser does not have the right level of authority to complete the purchase.

Supervisor or Authoriser

- Approves the final recommendation of the successful bidder.
- The Supervisor or Authoriser is the person with appropriate Vice Chancellor Authorisation to approve the expenditure of University funds, for the relevant cost centre, by the Purchaser of the goods or services.

Associate Director: Procurement and Financial Services

- Providing management and guidance.

7.3 Business Rules

General

- Respondents should be requested to respond to all criteria in the Request for Quotation / Tender in the order format presented.
- Examples of mandatory criteria are:
 - Respondents must reply to all items in the specification.
 - Ability to meet the required specifications.
 - Guarantee to meet the stated timetable for completion.
 - The supplier must be financially solvent.

Evaluation

- Quotations and tender submissions must be evaluated in line with the evaluation criteria specified in [Plan the Purchase](#) or [Conduct Tender \(If Applicable\)](#).
- All responses for a particular requirement must be evaluated consistently. Sections or questions in the responses may be divided among teams of evaluators, particularly when there are many questions or specialist knowledge is required. However, each evaluator should score all responses for their allocated sections/questions.
- Decisions should not be made on the basis of the purchase price alone. Meeting user requirements, quality and service are critical and more important than price in certain instances.
- Value for money is determined by considering all factors relevant to the requirement, such as:
 - Cost of goods/service.
 - Whole of life costs.
 - Fitness for purpose.
 - Modifications required.
 - Flexibility of goods/services.
 - Age and condition.
 - Qualitative factors.
 - Ongoing support.
 - Innovation and value adding components.
- The lowest quotation need not be accepted provided there is a clear justification for selecting a more expensive supplier.
- Achieving value for money means ensuring that the benefits gained are proportionate with the cost.

In the case of a Tender, the evaluation methodology to be used should be determined and agreed by the Contract and Tender Panel prior to receipt of the responses. The evaluation criteria do not need to be made known to suppliers.

Examples of Desirable Evaluation

- Suitability and quality of product or service offered.
- Total cost of proposal.
- Ability to meet the specifications.
- Demonstrated track record in the service or related area.
- Location of servicing office.
- Warranty conditions.
- WHS and environmental policies.

7.4 Forms, Documents and Reports

- [Contract and Tender Recommendation \(FS61 form\)](#)
- [Vice Chancellor's Authorisations](#)

7.5 Exceptions

Sourcing events run by the University Procurement Hub (UPH), which will be managed by a UPH Category Council (in place of the Contract and Tender Panel) on behalf of the University, reporting to the UPH Program Committee. In such cases, the UPH Category Council will oversee the tender evaluation and preparation of a Recommendation Report by the UPH, and make a recommendation to the UPH Program Committee for approval. Once approved by the UPH Program Committee, the Recommendation Report and draft contract will be submitted to the Strategic Procurement team for review, finalisation and approval in accordance with the University's normal approvals procedures.

7.6 Process

Assess and Select (Contract and Tender Panel or Purchaser)

1. Obtain quotations/tender submissions.
2. Assess them against the evaluation criteria set out under [Plan the Purchase](#) (for quotations) or
3. [Conduct Tender](#) (if applicable).

Prepare Recommendation (Contract and Tender Panel)

4. Prepare a tender evaluation and recommendation report for the relevant member of the Senior Management Group, also completing the [FS61](#). The report should include the following relevant information:
 - Any late tenders considered.
 - Any conflicts of interest identified and how these were resolved.
 - Full costing analysis of the supplier offers.
 - Any departure from tender documentation or procedures.
 - A formal risk assessment consistent with the size, complexity and nature of the project.
 - A summary of the process used to assess the tenders and arrive at a recommendation.
 - Any other issues arising relevant to the recommendation.
5. Provide the recommendation and report to the relevant Cost Centre Manager, based on the financial delegations detailed on the [Vice Chancellor's Authorisations webpage](#).

Contract Value	Authority
\$100,000 less than \$200,000	Chief Financial Officer, Chief Information Officer, and Director: Facilities Management Unit.
Less than \$1 million	Relevant Pro Vice Chancellor (Bands 1-2) or Chief Operating Officer.
\$1 million less than \$2 million	Chief Operating Officer (on recommendation of a Contract and Tender Panel) and Provost & Chief Academic Officer for areas under their responsibility.
\$2 million less than \$5 million	Vice Chancellor.
\$5 million and over	Council (or Vice Chancellor, when Council has delegated specific expenditure authorities e.g. approved capital projects and nominated operating expenditure contracts).

Management Review and Approval

6. Review the documentation outlining the planned procurement and clarify if required.
7. Authorise the purchase to the Contract and Tender Panel or business area either by e-mail or as a notation on the hard copy of the documentation.

7.7 Variation to completed Tenders

A Variation as referred to in this circular is any alteration to a procurement contract including extensions and amendments.

Where the variation, or total of all variations (not endorsed at the time of the original procurement proposal), will result in the contract total consideration being increased by the greater of \$20,000 or 5% of the total price, further endorsement is required. This endorsement is required from the position title that initially approved the tender outcome.

Once approved both the variation approval and agreement with the supplier are to be in writing and a copy of the documentation provided to the Associate Director: Procurement and Financial Services in the Finance Unit. Variations will be registered in the central contracts register.

7.8 Next Step

Refer to [Purchase Order](#).

8. Purchase Order

8.1 Description

It is preferred that Purchase Orders are raised in the Finance One system when required by the supplier or when the purchase is greater than \$10,000.

Goods or services ordered with suppliers should be received by the person identified on the Purchase Order. Where possible, there should be a segregation of duties, so that the person purchasing any goods is not also receiving them. Any goods received should be checked for apparent damage and agreed to the Delivery Docket. As the goods are unpacked, they should be checked to the Purchase Order and recorded in Finance One as 'goods delivered'.

Where an asset has been acquired as defined by the University Fixed Asset procedures, the process for recording an asset on the central asset register (form FS65) should be followed.

Goods or services not involving Purchase Orders are noted as received at the time of approving the invoice or raising a Claim (Payment Request (Domestic) – No Tax Invoice FS03 form within Appian). The supplier should be notified immediately of any difficulty with goods or services being received.

8.2 Purchase Order Workflow

The Finance One system must be used to raise all Purchase Orders via the online purchase order workflow system.

Refer to the [Finance One Quick Guides](#) and [FAQs](#) for assistance with the workflow process.

8.3 Roles

Supplier

Deliver goods/services along with related paperwork.

Purchaser/Purchasing Officer

The staff member who initiates the purchase and sees it through to conclusion (the goods or services have been received and the invoice paid). If the Purchasing Officer has insufficient authority to approve the purchase in Finance One, the Finance Unit authorises it.

Upon delivery of the goods/services, the officer must check and sign for the delivery, and receipt the delivery in Finance One.

8.4 Business Rules

- The purchase should follow the requirements defined in section entitled [Plan the Purchase](#).

- A formal Purchase Order should be issued for all purchases that have a combined cost greater than \$10,000, and below if specifically required by the Supplier / contractual agreement.
- The Purchase Order must comply with the selected quotation or tender submission.
- All quotations that have been received should be filed with the requisition.
- The Finance officer must have the appropriate level of security within Finance One to create the Purchase Order.
- Where possible, there should be a segregation of duties such that the person purchasing any goods is not also receiving them.

8.5 Forms, Documents and Reports

- [Vice Chancellor's Authorisations](#)

8.6 Exceptions

None.

8.7 Process

Note: It is preferable for the Purchase Order to be created in Finance One by the area requiring the product or service.

Prepare Requisition in Finance One

1. If there is an existing preferred supplier arrangement, refer to Product/Service (below).
2. Create a requisition in Finance One.

Approve Requisition

3. Select 'Send to Approver' in Finance One requisition and send to the appropriate VCA holder to approve and release the Purchase Order.
4. If the Requisition is over \$25,000 (ex GST) it will be work flowed to Strategic Procurement for review. Once satisfied, Strategic Procurement will send the requisition to the appropriate VCA holder to approve and release the Purchase Order.

Note: When the requisition is released, Finance One will automatically convert it into a Purchase Order.

Order Product/Service

5. Supply necessary information to the supplier.
6. Order the goods/services in a way consistent with the formality and supporting documentation of the requisition:
 - Purchase Order: e-mail the order to the supplier.
 - Other: Place the order by telephone, via website or in person.

Receive Delivery

7. Upon receipts of goods/services, the Purchaser/Purchasing Officer must check:
 - They are not physically damaged.
 - The goods/services against the Delivery Note/Docket.
 - The Delivery Note/Docket against the original requisition or order.
 - That the goods/services are in satisfactory condition and sign for their receipt.
8. If all of the above requirements are met, sign for the receipt of the goods/services and receipt the delivery in Finance One.

Note: If there are any problems with the delivery, the issues must be raised with the supplier.

9. Send invoice to the UniSA Tax Invoice e-mail address (unisa.taxinvoices@unisa.edu.au).

8.8 Next Step

Refer to the [Accounts Payable Handbook](#) for further steps.

Appendix A: Risk Management

Purpose

Any exercise of a power or function of the University has certain risks that must be identified early in a procurement project and managed throughout that project. This appendix sets out the issues and risks (and an overview of how these can be managed).

Ways to Manage Risk in the Procurement Process

1. Procurement can present many risks in the life of a project, and therefore it is important to ensure that the evaluation criteria is appropriately identified and weighted to ensure that value for money is delivered to the University following the evaluation of the bids. Value for money does not mean simply the cheapest price but is a balance of technical and service capability and delivery with commercial compliance and price.
2. There is also a risk of litigation. Litigation risks include not identifying the evaluation criteria in advance, breaching a tenderer's confidence, not properly managing a conflict of interest, awarding a contract to a non-[preferred supplier](#), disclosing information to tenderers at inappropriate times during the tender process, and in the case of tenders not evaluating them in accordance with the tender evaluation methodology.
3. It is critical to ensure that the Request for Tender (RFT) is specifically considered for each project. The RFT forms part of the conditions of contract that eventually form the contract for the project. Therefore, it is important from an early stage to consider these conditions having particular regard to risk allocation. These considerations will focus on insurance, indemnity and security provisions but will also go beyond that to a consideration of requirements and role allocations.
4. Ensure a proper 'paper trail' and as a risk management tool, all questions from tenderers regarding a Project should be received in writing. Generally, the questions and answers should then be distributed to all tenderers to ensure fairness and probity unless commercial-in-confidence issues are present.
5. A pre-tender briefing should be held when deemed appropriate by the University to enhance compliant and well-informed tenders and to provide tenderers with an opportunity to view the site (if relevant).
6. Throughout the quotation/tender process, the University must ensure that all tenderers are treated fairly and dealt with equally. This will result in the risk of a challenge to the process being minimised.
7. In relation to tenders it is critical that a sufficient number of members are on the Contract and Tender Panel and that they have the appropriate skills to properly evaluate the tenders.
8. The University must also ensure that the Tender Evaluation Methodology is approved by the Contract and Tender Panel prior to receipt of tenders by the tender committee. This is important to avoid allegations that the method of evaluating was tailored to suit a particular tenderer.

9. In the evaluation of tenders, the technical and/or commercial evaluation should be conducted prior to the financial evaluation to avoid any allegations that the tender committee artificially favoured a tender through the technical scoring because of price. That is pricing information of tenders will be kept separate from the tender copies and not accessed by a Tender Committee until after the tenders have been scored against the technical and commercial criteria. This means that the issue of price will not affect the evaluation of non-price issues.
10. Tenders should be placed in a secure environment and only accessed by personnel authorised by the University.
11. Prior to receipt and evaluation of quotations/tenders the requesting party/all Tender Committee members should be required to sign a declaration in which any conflicts of interest must be disclosed. Any actual or potential conflict must be disclosed and will be dealt with and documented by the Contract and Tender Panel.
12. Minutes of all meetings will be taken and file notes kept of decisions (with reasons). This will ensure that there is an auditable paper trail for the process.
13. Obtaining value for money should be the guiding principle for the University's procurement. A Tender Evaluation Methodology should be drafted to ensure that the tender representing the best value for money to the University is selected.
14. Any clarification and negotiations with preferred tenderers must be conducted in good faith and in accordance with University guidelines. All agreements should be documented.
15. An unsuccessful tenderer can 'sabotage' a quotation/tender process, and delay the award of a contract, by commencing proceedings alleging that the quotation/tender process was not conducted properly. The risk of this can be minimised by ensuring that the process is compliant and comprehensive defending any preliminary court actions seeking to stop the award of contract.
16. The contract will be drafted to contain all of the terms of the agreement reached between the University and the preferred supplier.
17. Generally all risks should be addressed to ensure the delivery of a fully compliant and best practice procurement process with minimal risk of challenge.

Recommendation to Management

The production of a final report is particularly important, as it will provide a full report of all of the processes that were undertaken throughout the project and summarise the results. This document should be issued to the staff member with the Vice Chancellor's Authority to approve the outcome. A full Tender Evaluation Report should comprise attachments including key documents throughout the process such as the Tender Evaluation Methodology and Probity Report (if applicable).

Summary

The procurement process has inherent risks which can be mitigated and managed by developing and adhering to appropriate policies and procedure.

Appendix B: Code of Conduct for Supplier Engagement

Purpose

This code of conduct provides essential guidance to allow staff to communicate and interact with the University's suppliers in a professional manner. It outlines the requirements and expectations of staff when dealing with suppliers, who are required to fully understand and adopt the principles contained within this code.

Introduction

The University takes care in selecting its suppliers and is committed to procuring goods and services on sound business principles.

We recognise that a close relationship with suppliers helps us to deliver the best possible services. We must therefore ensure that we, at all times:

- obtain best value for money;
- build sustainable relationships;
- satisfy probity, ethical and legislative requirements;
- satisfy all Work Health and Safety requirements;
- ensure accountability for outcomes; and
- comply with the Competition and Consumer (Cth) Act 2010.

It is important that the University maintains a level of professionalism when engaging or communicating with external suppliers in the marketplace. Engagement methods include, but are not limited to, tendering, requesting quotes, negotiations and day-to-day management of supplier relationships.

Competition and Consumer (Cth) Act 2010

As a University employee, you are required to familiarise yourself with the [Competition and Consumer \(Cth\) Act 2010](#).

It is important that the University maintains confidentiality and we do not disclose our suppliers' commercially-sensitive information except as agreed and as otherwise permitted by law. Discussions around the University's contracts are not to be entered into and should be referred to Strategic Procurement. Opinions and claims must be reasonable and not misleading.

There are significant penalties for the University and individuals for non-compliance with the Competition and Consumer Act, as outlined in the policies themselves.

If staff are in any doubt about any code of conduct, or proposed code of conduct relating to the procurement of goods and services, they should contact the [Strategic Procurement](#) team

by e-mail or Ph: (08) 8302 2273 before making a decision. At all times, Strategic Procurement is to be kept aware of any concerns and issues with the University's suppliers.

Staff are also encouraged to report to their manager any conduct by a competitor, supplier or customer of the University they believe might be in breach of the Competition and Consumer Act.

Communication with Suppliers

The key to a fulfilling relationship between the University and its suppliers is a clear and unambiguous set of requirements and expectations. This code of conduct establishes principles to be applied by all staff in their communication and activities with the University's suppliers. It must be adhered to in relation to all business activities engaged in on behalf of the University. All staff must:

1. Uphold the University's credibility and dignity by practicing honest, candid and timely communication and by fostering the free flow of essential information in accord with the public interest.
2. Disseminate information accurately and promptly correct any erroneous information.
3. Be sensitive to cultural values and beliefs, and engage in fair and balanced communication activities that foster and encourage mutual understanding.
4. Refrain from taking part in any activities which could be considered or perceived to be unethical.
5. Conduct themselves with care and skill, and ensure the University's actions do not conflict with the requirements of integrity and objectivity or the University of South Australia Act. Should any law or public policy be violated, for whatever reason, staff must act promptly to rectify the situation.
6. Protect confidential information and, at the same time, comply with all legal requirements for the disclosure of information affecting the welfare of others.
7. Not use confidential information obtained from the suppliers for personal advantage or for the advantage of another, and do not represent conflicting or competing interests without written consent of those involved.
8. Refer to the University's [Code of Ethical Conduct](#) before any gifts, hospitality or benefits are accepted.
9. Not guarantee results that are beyond the power of the University to deliver.
10. Comply with all local and national laws and regulations on bribery, corruption and prohibited business practices.
11. Ensure our actions are fair, honest and impartial and act with integrity at all times.
12. Adhere to acceptable business practices, including providing for timely payment.
13. Show responsibility to the local communities in which they operate by conducting business in a manner that builds good relations and achieves a positive impact.
14. Conduct business in a way that protects and sustains the environment.
15. Not condone the use of any supplier statement which is misleading, false or deceptive.

Online Ethical Clearance Form

An online [Ethical Clearance Form](#) is used by the University to allow staff to declare any conflicts of interest that they may have as this could influence the decision-making process. This is particularly applicable to staff who are members of a Contract and Tender Panel or requesting quotations from suppliers.

Further Support

Should you require assistance with this code of conduct, please contact the Strategic Procurement team. The contact details for all members of the team are listed in the [Strategic Procurement pages](#) on the Finance Unit website.