

# Procedure: Procurement

## Purpose

To inform staff of the framework for purchasing goods and services with University funds.

## Procedure

### General

1. University procurement requirements are dependent on the value of the goods and services being sought.
2. A procurement is not divided or split into separate parts to avoid a procurement threshold.
3. Goods and services are sourced from the [University's Preferred Supplier Arrangements](#) where available. No further quotations are required when purchasing from existing arrangements.
4. Where there is no preferred supplier in place, the University Procurement & Contracts Office (UPCO) advises on established government panels that can be leveraged.
5. When there are no preferred supplier arrangement or suitable government panels, the University approaches the market.
6. Before approaching the market, the authorised delegate can approve an exemption from tendering subject to the submission of an exemption request form. The authorised delegate should seek advice from UPCO when considering exemptions.

### Procurement Threshold requirements

#### *Minor procurement (less than AUD 5,000 in value)*

7. Either one oral or written quotation is required.
8. Purchasing officers use their knowledge of the available market to secure value for money.

#### *Medium procurement (up to AUD 50,000 in value)*

9. A minimum of two written quotations are required.

10. Quotation must be attached to accounts payable documentation, and sighted by the Delegate prior to authorisation of expenditure; and
11. Purchasing officers use their knowledge of the available market to secure value for money.

*Large scale procurement (AUD 50,000 – AUD 250,000 in value)*

12. A minimum of three (3) written quotes are required.
13. The authorised delegate is responsible for:
  - a. approving the most appropriate tender option considering requirements, timeframes and costs to both the University and supplier.
  - b. approving the procurement plan (refer to the Online procurement guide for further details); and
  - c. approving the tender evaluation report.
14. The procurement officer is responsible for:
  - a. registering the intent to commence a procurement exercise with UPCO;
  - b. preparing a:
    - \* procurement plan and evaluation plan which includes the appropriate tender option, requirements, timeframes and costs to both the University and prospective suppliers;
    - \* brief submission to the authorised delegate to seek written approval to call for offers;
    - \* filing all documentation associated with the procurement exercise within the University's record management system (ERMS);
    - \* entering details of ANU signed contracts into the contract management system (Portt) and storing them within the University's ERMS; and
    - \* preparing a written tender evaluation report to the authorised delegate.
15. UPCO:
  - a. assigns a unique number to the procurement activity;
  - b. reviews documentation and/or provides guidance as required; and
  - c. logs the procurement activity to the Annual Procurement Plan.

16. Purchase orders are raised through [financial.shared.services@anu.edu.au](mailto:financial.shared.services@anu.edu.au) with the signed tender evaluation report attached. Quotation must be attached to accounts payable documentation, and sighted by the Delegate prior to authorisation of expenditure; and
17. Purchasing officers use their knowledge of the available market to secure value for money.

*Major procurement (AUD 250,000 or greater in value, or high risk/high requirement goods/services)*

18. An open approach to market is required.
19. The authorised delegate is responsible for:
  - a. appointing a project manager and evaluation panel;
  - b. registering the intent to commence a procurement exercise with UPCO;
  - c. approving the procurement plan (refer to the Online procurement guide for further details); and
  - d. approving the most appropriate tender option considering requirements, timeframes and costs to both the University and the supplier.
20. The appointed project manager is responsible for;
  - a. preparing a:
    - \* business case in accordance with the Capital and Investment Expenditure Policy [ANU Policy Library - Policy - Capital and Investment Expenditure Project prioritisation](#);
    - \* probity plan;
    - \* procurement plan which includes the appropriate tender option, requirements, timeframes and costs to both the University and prospective suppliers;
    - \* Statement of Requirements (SOR);
    - \* evaluation plan; and
    - \* brief submission to the authorised delegate to seek written approval to call for offers.
  - b. maintaining a risk register throughout the procurement process to manage and mitigate exposure of the University;

- c. filling all documentation associated with the procurement exercise within the University's record management system (ERMS).
- d. entering details of ANU signed contracts into the contract management system (Portt) and storing them within the University's ERMS.
- e. releasing the tender via the ANU specified e-tendering website.

21. The appointed evaluation panel:

- a. evaluates offers by applying only the evaluation criteria notified in the request for documentation;
- b. assesses compliance with the SOR and the terms and conditions set out in any contract;
- c. assesses the technical viability of the proposed solutions;
- d. assesses the capability of the respondent(s) to provide goods or services taking into account both technical and managerial competence alongside financial resources;
- e. contacts referees;
- f. makes decisions holistically based on the total benefits and costs with a focus on value for money;
- g. documents all potential constraints or risks and the areas of the University exposed to the risk;
- h. identifies the best offer in line with value for money;
- i. prepares a written tender evaluation report signed by all members of the panel to the authorised delegate with:
  - \* approval to accept tenders;
  - \* full details of the process and offers received;
  - \* a clear and publicly defensible appraisal against each evaluation criteria;
  - \* reference to the risk register and notation of any potential constraints or risks;
  - \* rank of offers in order of merit according to their evaluation scores; and
  - \* recommendation of acceptance of the highest ranked offer subject to satisfactory negotiation of a contract.

22. UPCO:

- a. assigns a unique number to the procurement activity;
- b. reviews documentation and/or provides guidance as required; and
- c. logs the procurement activity to the Annual Procurement Plan.

23. Purchase orders are raised through [financial.shared.services@anu.edu.au](mailto:financial.shared.services@anu.edu.au) with the signed tender evaluation report attached.

## **Contracts**

24. A contract is entered into for the purchase of goods or services procured over AUD 50,000. In all other cases, entry into a contract is at the discretion of the delegate.
25. A procurement exercise is valid for the term of the contract (including extensions entered into in contract variations).
26. Any further procurement undertaken following expiration of a term of a contract is conducted separately.

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